



---

# ***Daily Report***

## **China**

FBIS-CHI-94-221  
Wednesday  
16 November 1994

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

# Daily Report

## China

FBIS-CHI-94-221

### CONTENTS

16 November 1994

An \* indicates material not disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

'Text' of Jiang Zemin 'Second Speech' at APEC [XINHUA]	1
Jiang Zemin Speaks at Press Conference	1
Discusses GATT Status [XINHUA]	1
Views Asia Pacific Cooperation [XINHUA]	2
Further on News Conference [XINHUA]	2
Jiang Zemin, Philippines Ramos Hold Meeting	3
Jiang Views Spratlys Dispute [XINHUA]	3
XINHUA English on Meeting	3
XINHUA Chinese on RENMIN RIBAO Editorial on APEC	4
XINHUA English Reports Editorial	5
Editorial Views APEC Meeting, Free Trade [Hong Kong WEN WEI PO 11 Nov]	5
Beijing Sets Conditions for Ties With Vatican [Hong Kong TA KUNG PAO 11 Nov]	6
Child Rights Protection of 'Great Importance' [XINHUA]	6
International Symposium on Criminal Law Opens [XINHUA]	7
Beijing Submits Draft Resolution to UN [Beijing Radio]	7
XINHUA Views UN 'Law of Sea' Convention	7
Delegate Announces \$250,000 to UN Refugee Program [XINHUA]	8
Commentary Praises Benefits of DPRK-U.S. Agreement [LIAOWANG 7 Nov]	8
International Antidesertification Treaty Signed [XINHUA]	9
Trade Union Promotes Nongovernmental Exchanges [XINHUA]	10
'Confusion' in Summit of Americas Agenda Noted [XINHUA]	10
U.S. in Process of Delinking Human Rights, Trade [XINHUA]	11
U.S. Halts Arms Ban Enforcement on Bosnia [XINHUA]	11
ROK Joins Suzhou Industrial Park Consortium [XINHUA]	12
XINHUA: Russia Regrets UN Sanctions Against Iraq	12

##### Central Eurasia

Ministry Confirms Imports of Radioactive Ukrainian Steel [AFP]	12
--	----

##### Northeast Asia

Japanese Official Discusses Yen Loans to China [XINHUA]	13
Anhui Province, Japan's Kochi Establish Ties [XINHUA]	14
ROK Newspaper Delegation Meets NPC Official [XINHUA]	14

##### Southeast Asia & Pacific

Shenzhen Court Tries Australian Businessman [ZHONGGUO TONGXUN SHE]	14
--	----

##### Latin America & Caribbean

Qiao Shi Urges More Sino-Argentine Trade [XINHUA]	14
Argentina Supports PRC Sovereignty Over Hong Kong [XINHUA]	15



## NATIONAL AFFAIRS

### Political & Social

CPC Official Allegedly Passed Secrets to Gao Yu [Hong Kong EASTERN EXPRESS 16 Nov] .....	16
Commentary on Party Style, Discipline Violations [XINHUA] .....	16
Article on 'Democratic' Cadre Selection [RENMIN RIBAO 12 Nov] .....	17
China To Reform Social Security System in 1995 [XINHUA] .....	18
Official: No Plague Epidemic Among Humans [XINHUA] .....	19
RENMIN RIBAO Carries QIUSHI No 22 Table of Contents [14 Nov] .....	19

### Science & Technology

Official Discusses Nuclear Power Industry Growth [XINHUA] .....	19
---	----

### Economic & Agricultural

Chen Qingtai Discusses Enterprises' Property Control [XINHUA] .....	20
Government Debates Plan To Transform State Firms [Hong Kong SOUTH CHINA MORNING POST 16 Nov] .....	20
National Economic Work Meeting To Focus on Inflation [Hong Kong SOUTH CHINA MORNING POST 16 Nov] .....	21
Customs Seize Goods Violating Trademark Laws [RENMIN RIBAO OVERSEAS EDITION 11 Nov] .....	22
Scale Management of Foreign Trade Starts [XINHUA] .....	22
New Regulations To Govern Foreign-Funded Firms [ZHONGGUO XINWEN SHE] .....	23
Statistics Show Rise in Urban Unemployment [XINHUA] .....	23
Consumer Price Index Hits 27% in Oct [CEI Database] .....	23
New Oil, Gas Pools Found in Beibu Gulf [XINHUA] .....	24
Offshore Oil Output To Reach 6.4 Million Tons [XINHUA] .....	24
Largest Fluorine-Chemical Plant Starts Operation [XINHUA] .....	24
Aquatic Product Prices 'Stable' Over Past 9 Months [XINHUA] .....	25
Land Bureau Sets Lease Period, Stipulations [ZHONGGUO XINWEN SHE] .....	25
Rural Economic Observation Centers 'Successful' [XINHUA] .....	25

## REGIONAL AFFAIRS

### East Region

Anhui High-Tech Farming Research Facility Opens [XINHUA] .....	26
Anhui 'Concentrating' on Environmental Protection [XINHUA] .....	26
Jiangxi Meeting on Party Organizations Ends [Nanchang Radio] .....	26
Shandong Holds Cotton Procurement Conference [Jinan Radio] .....	27
Shandong Promotes Tourism With Activities [XINHUA] .....	28
Shanghai's Development Plan Discussed [XINHUA] .....	28
Shanghai 'Re-Employment Scheme' To Curb Unemployment [ZHONGGUO XINWEN SHE] .....	28
Li Zemin Delivers Report to Zhejiang CPC Plenum [Hangzhou Radio] .....	28
Zhejiang Port To Raise Funds for Construction [XINHUA] .....	29

### Central-South Region

Guangzhou Reports Progress in Fighting Inflation [XINHUA] .....	29
Guangdong Magazine Gives Contraception Information [ZHONGGUO XINWEN SHE] .....	30
Guangdong Urban Residents Move to Rural Areas [XINHUA] .....	30
Guangdong Harvest Makes 'Turn For The Better' [XINHUA] .....	30
Guangdong Express Railway Holds Trial Run [Guangzhou Radio] .....	31
Shenzhen Develops Into Modern Port City [XINHUA] .....	31
Modernization Program for Hainan City Approved [XINHUA] .....	31
Hainan's Haikou Leads in Financial Institutions [XINHUA] .....	32
Hubei City Continues To Attract Investment [XINHUA] .....	32
Overseas Firms' Agencies Increasing in Hubei [XINHUA] .....	33

Hubei Notes Increase in Farmers' Income, Spending [XINHUA] .....	33
Hunan's Agricultural Projects 'Paying Off' [XINHUA] .....	33

#### Southwest Region

UNIDO Head on Southwest's Economic Prospects [XINHUA] .....	33
Guizhou Circular Urges Payment of Tax Arrears [Guiyang Radio] .....	34
Geologists in Guizhou Verify More Gold Deposits [XINHUA] .....	34
Sichuan's Ethnic Minority Areas Make Economic Progress [XINHUA] .....	34
Article Views Educational Development in Tibet [RENMIN RIBAO 1 Nov] .....	34
Tibet Autonomous Region Honors Monasteries, Abbots [XINHUA] .....	35
Conditions for Herdsmen on Tibet Plateau Improve [XINHUA] .....	35

#### North Region

Beijing Achievements in Optimizing Leading Bodies [BEIJING RIBAO 26 Oct] .....	36
Beijing Conducts Census on Floating Population [CHINA DAILY 11 Nov] .....	37
Beijing Police Solve 'No. 1' Case [ZHONGGUO XINWEN SHE] .....	37
Increase in Lawyers in Beijing Said Beneficial [XINHUA] .....	38
Hebei Holds Public Security Management Conference [HEBEI RIBAO 30 Oct] .....	38
Inner Mongolia Project in 'Full Swing' [XINHUA] .....	39
Inner Mongolia's Largest Thermal Power Plant Expands [XINHUA] .....	40
Inner Mongolia To Execute Embezzler [Hohhot Radio] .....	40
Shanxi Trains Skilled Coal Personnel [XINHUA] .....	40
Foreign Managers in Tianjin Welcome Unions [XINHUA] .....	40
Tianjin Development Zone Becomes Industrial Center [XINHUA] .....	41
Tianjin Strengthens Environmental Protection [XINHUA] .....	41

#### Northeast Region

Heilongjiang Appoints CPC Committee Secretary [Harbin Radio] .....	41
Heilongjiang Holds Party School Conference [Harbin Radio] .....	42
Grass-Roots Organization Meeting in Heilongjiang [Harbin Radio] .....	42
Gold Deposits Discovered in Heilongjiang [Harbin Radio] .....	43
Heilongjiang Improves Public Health Infrastructure [XINHUA] .....	43
Jilin Vice Governor on Property Rights Sales [JILIN RIBAO 22 Oct] .....	43
Jilin Investigates Major Corruption Cases [JILIN RIBAO 28 Oct] .....	49
'Fledgling' Liaoning Port Sees Growing Activity [XINHUA] .....	50
Shenzhen Science, Technology Firms Increase [XINHUA] .....	50

#### Northwest Region

Xinjiang's Wang Lequan Addresses CPC Committee [XINJIANG RIBAO 27 Oct] .....	51
--	----

#### PRC MEDIA ON TAIWAN AFFAIRS

Further Reportage on Taiwan Army Shelling of Xiamen .....	54
Report From Village Hit by Shells [Hong Kong WEN WEI PO 16 Nov] .....	54
Editorial Urges Compensation by Taiwan [Hong Kong WEN WEI PO 16 Nov] .....	54
'Preferential' Treatment Given to Taiwan Investors [ZHONGGUO XINWEN SHE] .....	55
Trade Committee Signs Pact With Taiwan Counterpart [XINHUA] .....	56

#### TAIWAN

MiGs Cross Taiwan Strait Median 15 Nov, Return [Hong Kong LIEN HO PAO 16 Nov] .....	57
SEF Sends 'Official Message' on Shelling Incident [Taipei Radio] .....	57
Land Mines 'Inadvertently' Detonated on Quemoy 15 Nov [Taipei Radio] .....	57
Delegates Meet U.S., EU GATT Representatives [CNA] .....	57
Taipei To Sign Taxation Pact With Australia [CNA] .....	58
Nigeria Threatens Embargo Over Trade Imbalance [CNA] .....	58
Natural Gas Reserves Discovered Off Kaohsiung Coast [CNA] .....	59

Taipei Ranks 2d in Citibank Credit Card Spending [CNA] .....	59
--	----

## HONG KONG & MACAO

### Hong Kong

PRC Liaison Group Chief Views Progress, Future [Hong Kong WINDOW 11 Nov] .....	60
Hong Kong Preparatory Committee To Have Beijing Base [Hong Kong HONGKONG STANDARD 14 Nov] .....	62
Legal Affairs Group Examines Hong Kong Regulations [XINHUA] .....	62
Subcommittee Views Post-1997 Hong Kong Judiciary [XINHUA] .....	63
Working Committee Rethinks Recognition of Degrees [Hong Kong SOUTH CHINA MORNING POST 14 Nov] .....	63
Wang Zhaoguo Greets New Chamber of Commerce Head [XINHUA] .....	64
Red Cross Officials Contemplate Leaving in 1997 [Hong Kong EASTERN EXPRESS 14 Nov] ....	64
Catholic Church Said Worried by Numbers Emigrating [Hong Kong HONGKONG STANDARD 14 Nov] .....	65
Opposing Basic Law With Bill of Rights Criticized [Hong Kong TA KUNG PAO 12 Nov] .....	66
PWC Decision To Stop Briefing Press Criticized [Hong Kong SOUTH CHINA MORNING POST 16 Nov] .....	67
PRC Said Wary of New Satellite TV Networks [AFP] .....	68
HSIN PAO Editor Optimistic on Post-'97 Press Freedom [Hong Kong EASTERN EXPRESS 15 Nov] .....	68
POST Conducting Talks on Mainland Printing Press [Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 15 Nov] .....	69
POST Chairman Stresses Editorial Independence [Hong Kong SOUTH CHINA MORNING POST 15 Nov] .....	69
Star TV To Launch Pan-Asian Satellite Radio Service [Hong Kong EASTERN EXPRESS 12-13 Nov] .....	70
Strategic Holdings Chairman To Head MING PAO Group [Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 16 Nov] .....	70
Emperor Investments Gains Control of DAILY NEWS [Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 15 Nov] .....	71
ATV Drops Top-Rated Talk Show [Hong Kong SOUTH CHINA MORNING POST 16 Nov] .....	71
Show's 'Anti-Beijing Stance' Noted [AFP] .....	71
PRC Concept of 'Press Freedom' Ridiculed [Hong Kong EASTERN EXPRESS 15 Nov] .....	71



## General

### 'Text' of Jiang Zemin 'Second Speech' at APEC

OW1511134294 Beijing XINHUA Domestic Service in Chinese 1133 GMT 15 Nov 94

[“Full Text of Chinese President Jiang Zemin’s Second Speech at The Informal Leadership Meeting of The Asia-Pacific Economic Cooperation (APEC) Forum”—XINHUA headline]

[FBIS Translated Text] Bogor (Indonesia), 15 Nov (XINHUA)—I would like to take this opportunity to discuss topics related to APEC cooperation in science and technology.

In the past few decades, the mankind has achieved a series of major breakthroughs in science and technology. Especially the ever-improving high-technology that has brought about rapid and vigorous global economic development and enormously changed the world’s outlook and the life of mankind. Science and technology have become the primary productive forces, and are playing an increasingly important role in economic growth. Scientific and technological development have made states and regions more interdependent.

Sustained economic growth in the Asia-Pacific region is directly attributable to the development, application, and dissemination of science and technology. Without scientific advances, the momentum of economic growth cannot be maintained in the future. However, the level of scientific and technological development has been uneven among APEC members. In many APEC countries, only a tiny proportion of their research results have been turned into commercial production and their investment in research and development is also clearly inadequate. Strengthening APEC cooperation in science and technology will be conducive not only to promoting the region’s scientific and technological development and economic growth, but also to narrowing the economic gap between APEC members and achieving common prosperity in the region. To promote work in this field, I deem it necessary to study the possibility of convening an APEC ministerial meeting on cooperation in science and technology at an appropriate time in the future. China is willing to take an active part in the related work.

In APEC economic cooperation, there are two areas which are very important for regional economic growth. They are, namely, human resources development and infrastructure construction.

Development of human resources is closely linked to economic development. Although human resources are an important factor in promoting economic growth, their development must rely on economic growth. The population of APEC’s 18 members amounts to about 40 percent of the world’s total, but a large part of these human resources has not been well developed. Some APEC members have adult illiteracy rates of more than

20 percent, while many others are short of management personnel and skilled workers. I believe that the “declaration on the framework for developing human resources,” just adopted by the APEC ministerial meeting, has great significance. I am in favor of developing human resources in close conjunction with economic development. To achieve universal basic education and to strengthen vocational and technical training should be important areas for APEC cooperation.

As for infrastructure, its development is uneven among APEC members. The infrastructure of many developing member states falls far short of actual needs and has become a “bottleneck” hindering their economic and social progress. Nevertheless, their abilities to invest in infrastructure lag far behind demand. Developed member states have more experience in the development and management of infrastructure and are in a better position to provide financial resources and technology. This unevenness offers good opportunities for regional cooperation. To strengthen APEC members’ cooperation in the fields of energy, transportation, and telecommunications is not only realistic but feasible as well. China has always attached great importance to infrastructure construction, in which we have adopted preferential policies and increased capital input. We stand ready to work together with fellow members and to conduct more effective cooperation in this field.

### Jiang Zemin Speaks at Press Conference

#### Discusses GATT Status

OW1611003094 Beijing XINHUA in English 0016 GMT 16 Nov 94

[FBIS Transcribed Text] Jakarta, November 15 (XINHUA)—Chinese President Jiang Zemin said here today that the resumption of China’s status as a founder member of the General Agreement on Tariffs and Trade (GATT) benefits not only China but also other countries.

Jiang made the remarks at a press conference here.

Talking about the requirements for the resumption of China’s GATT status, Jiang said that China will meet those requirements which are necessary and suit the level of its development.

However, he said, “I have noted that the United States has expressed many times its firm support for China’s re-entry into GATT. But what are more important are actions.”

On the human rights issue, Jiang said China’s position is consistent on such an issue.

“We can conduct dialogue with other countries on the basis of equality. However, the issue should not be used to interfere in the internal affairs of other countries,” Jiang said.

Jiang said it is normal that China and the United States have different views on this issue, which could be



resolved through dialogue on the basis of equality and therefore should not become an obstacle in the way in the development of bilateral relations.

Jiang also said China always stands for the establishment of state-to-state relations on the basis of the five principles of peaceful coexistence, and opposes the use of force or threat to use force.

Jiang said China is a developing country, and is now centering on economic construction and therefore needs a peaceful environment.

"We will never seek hegemony," Jiang said, adding the foreign policy of peace pursued by China will not change even when China becomes stronger in the next century.

"We have never posed and will never pose a threat to any country," he said.

#### Views Asia Pacific Cooperation

OW1611003494 Beijing XINHUA in English 0019  
GMT 16 Nov 94

[FBIS Transcribed Text] Jakarta, November 15 (XINHUA)—Chinese President Jiang Zemin said today that different timetables for trade liberalization should be adopted for members of the Asia-Pacific Economic Cooperation (APEC) at different stages of economic development.

Trade and investment liberalization in Asia Pacific is a long-term goal and the pace for achieving the goal should vary in line with the reality that APEC members are at different stages of economic development, said Jiang a press conference here this evening.

On the just-ended informal APEC leadership meeting, Jiang said the meeting discussed the issue related to the realization of trade liberalization.

He said the meeting will have a "profound and far-reaching impact" on accelerating Asia Pacific economic cooperation.

He said that China, the most populous and largest developing country within APEC, has a very large market and holds good prospects for economic development.

"We will play a role we should play within APEC. We also hope to further strengthen our cooperation with other APEC members through APEC and at the same time strengthen economic and trade ties with other countries in the world," Jiang said.

#### Further on News Conference

OW1611094194 Beijing XINHUA Domestic Service in Chinese 0150 GMT 16 Nov 94

[By reporters Wei Guoqiang (7614 0948 1730), Zhao Xinkao (6392 2450 5072), and Liu Ruiping (0491 3843 1627)]

[FBIS Transcribed Text] Jakarta, 15 Nov (XINHUA)—Chinese President Jiang Zemin held a press conference in the International Conference Center here on the evening of 15 November. Nearly 200 journalists from various countries attended the conference.

Jiang Zemin said: The informal leadership meeting of APEC today, chaired by President Suharto, discussed trade liberalization in the Asia-Pacific region. The meeting will have a profound and far-reaching impact on promoting economic cooperation in the Asia-Pacific region. We hope to take it as an opportunity to further strengthen regional cooperation.

Jiang Zemin said: Trade and investment liberalization in the Asia-Pacific region is a long-term goal and the pace for achieving the goal should vary in line with the reality that APEC members are at different stages of economic development. Different timetables for trade liberalization should be adopted for APEC members at different stages of economic development.

On China's role in APEC, Jiang Zemin said: China, the most populous and largest developing country within APEC, has a very large market and holds good prospects for economic development. We will play a role we should play within APEC. We also hope to further strengthen our cooperation with other APEC members through APEC and at the same time strengthen economic and trade ties with other countries in the world.

When asked about the so-called "China threat," Jiang Zemin said: China always stands for the establishment of state-to-state relations on the basis of the five principles of peaceful coexistence, and opposes the use of force or threat to use force. China is a developing country, and is now concentrating its energies on economic construction and therefore needs a peaceful environment. We will never seek hegemony and the foreign policy of peace pursued by China will not change even when our economy becomes stronger in the next century. We have never posed and will never pose a threat to any country.

On China's relations with the GATT, Jiang Zemin said: The resumption of China's status as a founding member of GATT benefits not only China, but also other countries. We will meet the GATT status resumption requirements which are necessary and which suit the level of our development. However, I have noted that the United States has expressed many times its firm support for China's re-entry into GATT. But what are more important are actions.

On the differences between China and the United States over the human rights issue, Jiang Zemin said: China's position is consistent on such an issue. We can conduct dialogue with other countries on the basis of equality. However, the issue should not be used to interfere in the internal affairs of other countries.

Jiang Zemin said: High-level contacts between China and the United States, including the 1993 Sino-U.S.

summit in Seattle and the summit yesterday, are conducive to promoting mutual understanding. It is normal that China and the United States have different views on the human rights issue. The issue could be resolved through dialogue on the basis of equality and therefore should not become an obstacle in the way in the development of bilateral relations.

On the relations between China and Indonesia, Jiang Zemin said: I will pay a state visit to Indonesia at the invitation of President Suharto. In recent years, China and Indonesia have developed their relations very well in the economic, trade, and other fields. This is my first visit to Indonesia. I hope that the visit will enhance my understanding of this country, and at the same time enhance the trust between the leaders and promote friendship between the peoples of the two countries so as to further promote the bilateral friendly and cooperative relations.

#### **Jiang Zemin, Philippines Ramos Hold Meeting**

##### **Jiang Views Spratlys Dispute**

OW1411133694 Beijing XINHUA Domestic Service in Chinese 1132 GMT 14 Nov 94

[By reporters Wei Guoqiang (7614 0948 1730) and Duan Jiyong (3008 0679 0516)]

[FBIS Translated Text] Jakarta, 14 Nov (XINHUA)—Chinese President Jiang Zemin met Philippines President Ramos in the International Conference Center here this afternoon. The two sides exchanged views on international and regional issues of mutual concern.

During the meeting, President Jiang Zemin said that he is pleased to have the opportunity to meet President Ramos again. Jiang Zemin said: In recent years the Chinese and Philippine leaders have maintained close contact and intensified mutual understanding and confidence, thereby further advancing friendship and cooperation in all areas between the two countries. He said that he believes that with the common efforts of the two sides, the friendship and cooperation between the two countries will intensify.

The two sides briefed each other on the situation of economic development in their respective countries. Ramos expressed admiration for China's achievements in construction and thanked China for its assistance to the Philippines in construction of hydropower stations. Jiang Zemin said: China and the Philippines are developing nations that are concentrating on developing their respective national economies. He expressed agreement with Ramos' view that the two nations should step up cooperation in the cause of peace and development, saying that he is truly happy to see the economic recovery and development in the Philippines under the leadership of President Ramos.

Ramos reiterated that the Philippines supports restoration of China's status as a signatory to GATT. Jiang Zemin expressed appreciation for the support.

Speaking of the issue of the Nansha [Spratly] Islands, Jiang

Jiang said: There are clear historical records in regard to the sovereignty of the Nansha Islands. China has proposed that any dispute on this issue should be settled peacefully through bilateral talks between the countries involved. Before we find a settlement, "the disputes should be shelved and the islands exploited jointly."

During the meeting, Ramos thanked the Chinese Government for the hospitality accorded him during his visit to China. He also invited Jiang Zemin to pay an official visit to the Philippines at an early date. President Jiang Zemin accepted the invitation with pleasure. Chinese Vice Premier and Foreign Minister Qian Qichen and Philippine Secretary of Foreign Affairs Romulo were present at the meeting.

##### **XINHUA English on Meeting**

OW1511141994 Beijing XINHUA in English 1405 GMT 15 Nov 94

[FBIS Transcribed Text] Jakarta, November 14 (XINHUA)—Chinese President Jiang Zemin and president of the Philippines Fidel Ramos today agreed on closer cooperation between the two countries.

The two leaders held a meeting at the International Conference Center here this afternoon, prior to the informal leadership conference of the Asia-Pacific Economic Cooperation (APEC) scheduled for tomorrow in Bogor near Jakarta.

During the meeting, Jiang said both China and the Philippines are developing countries, and are now centering on the economic development.

Jiang said that he believes that the friendship and cooperation between the two countries will be developed further.

As for the issue concerning the Nansha [Spratly] Islands, Jiang said the ownership of the islands is a matter of historical records.

He said China stands for peaceful resolution to the issue through bilateral negotiations, and favors "shelving differences and seeking joint development" prior to the resolution.

Ramos agreed to Jiang's view over the issue, saying that the Philippines appreciates the support by China for the ASEAN proposal for the peaceful resolution of the Nansha issue.

He said that as a friendly neighbor of China, "We are willing to join efforts with you in safeguarding peace and stability in the region, so as to enable various countries in the region to center on developing their own economies."

At the meeting, Ramos also expressed thanks to China over its assistance to his country in the construction of hydroelectric power stations.

He reiterated that his country supports China's efforts in resuming its status in the General Agreement on Tariffs and Trade.

Jiang expressed appreciation over the support from the Philippines.

#### **XINHUA Chinese on RENMIN RIBAO Editorial on APEC**

OW1511151094 Beijing XINHUA Domestic Service in Chinese 1229 GMT 15 Nov 94

[FBIS Translated Text] Beijing, 15 Nov (XINHUA)—Commenting on the informal leadership meeting of the Asia and Pacific Economic Cooperation [APEC] forum in Bogor, Indonesia, RENMIN RIBAO on 16 November publishes an editorial entitled: "Mutually Beneficial Cooperation and Common Prosperity." The text of the editorial follows:

The curtain fell yesterday on the second informal meeting of APEC leaders in Bogor, Indonesia. Leaders of APEC members and regional representatives stated their respective views at the meeting on issues of mutual interest, had extensive bilateral or multilateral contacts at and outside the meeting, and exchanged views in their intermittent discussions on principles guiding trade and investment liberalization in the Asian-Pacific region, a timetable for its implementation, and other major issues. The "Bogor Declaration" issued by the meeting has unfolded the prospect of economic cooperation in the Asian-Pacific region.

Chinese President Jiang Zemin attended the meeting and comprehensively expounded the current international situation, the situation and cooperation in the Asian-Pacific region, and principles guiding trade liberalization in the Asian-Pacific region. While the meeting was going on, President Jiang Zemin met separately with many leaders, who were there to attend the meeting, and held an in-depth exchange of views with them on bilateral relations and issues of mutual concern, thereby increasing mutual understanding and trust and facilitating the development of China's relations with these countries.

APEC has scored positive results and progress since its birth. Especially since last year's Seattle meeting, APEC has convened meetings of financial ministers, environmental ministers, trade ministers, ministers responsible for small and medium enterprises; a forum on industry and commerce, and a meeting on educational planning; it has set up a permanent "Committee on Trade and Investment" that specializes in researching basic standards for regional trade negotiation. APEC official membership has now increased to 18, whose combined population stands at 2 billion, their combined GNP accounts for roughly 50 percent of the world's, and their trade

volume accounts for 40 percent of the world total. They are spectacular in terms of their economic scale, market volumes, and growth rates.

The Asian-Pacific region is a region with striking diversity in terms of economics, politics, society, history, culture, and other areas, presenting a varied and colorful picture. Exchanges in economics, trade, investment, science and technology, and information within the Asian-Pacific region have increased steadily in recent years and a relationship of mutual dependence is growing. The region is both diverse and interdependent—this is the reality on which we have to develop regional economic cooperation. Just as President Jiang Zemin pointed out at the meeting: "If we recognize this reality and turn it to our advantage, Asia-Pacific economic cooperation will be galvanized and a widening vista will unfold before us." In this populous region with vast differences, accommodating and embracing diversity, learning from each other, increasing cooperation, and pursuing common prosperity will not only create a glorious future for the Asia-Pacific region but will also provide useful inspiration for a world that is headed toward the 21st century. Cross-century cooperation and development in the Asia-Pacific region was precisely what President Jiang Zemin had in mind when he offered the following five principled proposals for future economic cooperation in the Asia-Pacific region at the meeting: Mutual respect and unanimity through consultation; orderly, step-by-step, and steady development; opening up to each other without exclusion; extensive cooperation, mutual benefit, and reciprocity; and narrowing the gap and achieving common prosperity. This constructive approach by China has earned the appreciation and support of many APEC members.

An issue that merits special attention in economic cooperation in the Asia-Pacific region is that members of the region should complement each other's superiority and gradually narrow the gap between rich and poor. All members have their own superiorities and strengths, and they should learn from each other to offset their own weaknesses and promote mutually beneficial exchanges [hu li jiao liu 0062 0448 0074 3177]. Many developing members still suffer from serious poverty. Without lifting these members from poverty and bringing prosperity to them, economic cooperation in the Asia-Pacific region will not last, developed members will find it hard to sustain their economic growth, and a stable and prosperous Asia-Pacific century cannot possibly dawn. Prior to the Bogor meeting, the sixth APEC ministerial meeting was held in Jakarta. That meeting held wide-ranging and in-depth discussions on topics of general concern to developing members, such as human resource development, infrastructure construction, the development of medium and small enterprises, and scientific and technological cooperation, and made essential preparations for the informal leadership meeting.

China favors the establishment of a long-term, APEC-wide goal for realizing regional trade and investment



liberalization. To attain this long-term goal, we should follow the principles of openness and nondiscrimination. Members at different levels of economic development may have different timetables for achieving trade liberalization, and the pace and methods may also vary from sector to sector. This approach accords with the reality that the Asia-Pacific region is diverse, and can contribute to common development and prosperity. It is worth mentioning that the efforts made by China to resume its GATT contracting party status are also a positive contribution to promoting the Asia-Pacific region's gradual realization of trade liberalization.

A look at the world shows that giving priority to economic development has become an international trend. Various countries in the world are generally placing importance on the development of their economies as well as economic cooperation with other countries. It is China's steadfast principle to increase economic cooperation and trade contacts with Asia-Pacific countries. China's economic development cannot be divorced from the world, and its development and prosperity benefit economic development in the world and the Asia-Pacific region. We are willing to continue to enhance mutual understanding and trust with other Asia-Pacific countries and between different regions; promote equal exchanges and mutually beneficial cooperation; and jointly write a new chapter on economic development in the Asia-Pacific region.

#### XINHUA English Reports Editorial

OW1511164594 Beijing XINHUA in English 1635  
GMT 15 Nov 94

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—The final declaration of the informal leadership conference of the Asia-Pacific Economic Cooperation (APEC), which ended in Bogor, Indonesia, Tuesday [15 November], predicted prospects of economic cooperation in the region, THE PEOPLE'S DAILY [RENMIN RIBAO] said today.

The paper said in an editorial that since its establishment in 1989, the APEC forum has taken important steps, including setting up a committee on trade and investment and holding a series of meetings on cooperation in various fields.

The reality in the Asia-Pacific region is marked diversity in various fields and interdependence, it said.

The rapid development of economic and trade exchanges in the region has created an urgent need for cooperation among APEC members, the paper said.

"If we recognize this reality and turn it to our advantage, the Asia-Pacific Economic Cooperation will be galvanized and a widening vista will unfold before us," it said.

The paper said that many APEC members expressed their support for the five constructive proposals on

future Asia-Pacific Economic Cooperation put forward by Chinese President Jiang at the meeting.

The proposals are: Mutual respect and consensus; gradual progress in an orderly and steady manner; mutual cooperation without exclusion; extensive cooperation, mutual benefit and reciprocity; narrowing the gap and achieving common prosperity.

China favors trade and investment liberalization as a long-term goal in the Asia-Pacific region, but trade liberalization should be based on the principle of non-discrimination, the paper said.

Also, it said, different timetables for trade liberalization need to be worked out for members at varied development levels, it said.

The paper said that China's efforts to resume its membership in the General Agreement on Tariffs and Trade (GATT) is also a positive contribution to promoting trade liberalization in the Asia-Pacific region.

It said that it is China's firm and steadfast policy to strengthen its economic and trade cooperation with Asia-Pacific countries.

#### Editorial Views APEC Meeting, Free Trade

HK1411041394 Hong Kong WEN WEI PO in Chinese  
11 Nov 94 p A2

[Editorial: "Asian Civilization Will Show New Splendor—Jiang Zemin Visits Southeast Asia and Attends the APEC Summit"]

[FBIS Translated Text] Chinese President Jiang Zemin is currently visiting southeast Asian countries. Yesterday he arrived in Malaysia from Singapore, and he will also visit Indonesia and Vietnam. During his stay in Indonesia, he will attend the Asia-Pacific Economic Cooperation nonofficial summit.

This is Jiang Zemin's first visit to the southeast Asian countries since becoming president of the PRC. The southeast Asian countries are China's close neighbors and have had frequent contact with China throughout history. Many Chinese descendants are living there. In the contemporary era, China and various southeast Asian countries are all developing countries facing a historical opportunity to boost their economy and develop their culture. In its course of reform and opening up, China is paying great attention to studying and learning from the experiences of the southeast Asian countries, and most of these countries believe that a stable and prosperous China will benefit the Asia-Pacific region, including Southeast Asia. Jiang Zemin's South Asia trip will certainly help strengthen bilateral relations between China and Singapore, Malaysia, Indonesia, and Vietnam.

The APEC meeting will be held in Jakarta and provide an important occasion for the Asia-Pacific countries and



regions to exchange experiences in economic development and to matters of cooperation. Unlike some exclusive regional economic alliances, APEC is an open organization. While promoting cooperation between various member states and regions, it also encourages them to go into cooperation with various other countries and international economic organizations. Since last year's Seattle Conference, APEC has become more active in bilateral and multilateral cooperation, becoming a new important factor in the international economic system. It is attracting increasing attention from the international community.

One of the subjects for discussion at the current Jakarta meeting is the timetable for realizing free trade in the Asia-Pacific region. Most of the APEC members are in favor of free trade in this region but hold different views on the way to realize this objective in the year 2020. China stands for regarding free trade as a long-term objective but takes into full consideration the differences between various member states in the level of social and economic development, proceeding from reality, and giving consideration to the interests of various parties when setting a timetable for the realization of this objective so that unanimity can be achieved through consultation and progress can be made step by step. Moreover, the following two principles should be observed: First, the principle of equality and mutual benefit, under which a steady and unconditional most-favored-nation (or nondiscriminatory) status will be granted to one another. Second, there should be some flexibility in the timetable for realizing free trade so that the special difficulties and needs of the developing member states can be taken into consideration. China's stand reflects the common aspirations of the developing countries in the Asia-Pacific region. We believe that it will be considered seriously at the Jakarta meeting.

The Asia-Pacific region has been the region with the fastest economic development as well as a region with the greatest vigor in the world since the 1980's. It is also one of the most stable regions in the world. The main reason for this is the stability and reform and opening up on the Chinese mainland. China, with the largest population of the world, has got onto a track of rapid economic development. This has had an immeasurable positive impact on the development of the Asia-Pacific region as a whole. In this region, there are the United States and Japan, the most economically developed countries in the world, the newly emerged and industrialized "four little dragons," and the ASEAN countries which are developing their economies rapidly. The reform and opening up on the Chinese mainland will benefit the entire region. Scholars from various countries are studying relations between east Asian culture and economic development. Obviously, the common characteristics of east Asian culture, such as attaching importance to education, a harmonious family life, social stability, and harmonious human relations, are positive

factors in economic development. The Western countries enjoy talking about pluralization. While encouraging the developing countries to achieve pluralization in political affairs, they should also respect the pluralization existing in the world and the national culture of other countries. In fact, only by respecting the inherent cultural heritages and value concepts of various countries can the common achievements of human civilization be more effectively used. Adhering to its policy of building socialism with Chinese characteristics, China's mainland has achieved universally recognized successes and has won broad acclaim from various southeast Asian countries. Asia is one of the sources of human civilization. It has lagged behind in modern times only because of the colonialist invasion. The current trend of development in the Asia-Pacific region is not merely symbolized by the rapid economic growth and the improving living standards of the people, but also, and more importantly, by the rising of a regional force on a new basis. Just as Jiang Zemin pointed out in Singapore: "Asian civilization, once a force pushing history forward, will show new splendor in mankind's development in the new era."

#### Beijing Sets Conditions for Ties With Vatican

HK1111091494 Hong Kong TA KUNG PAO in Chinese  
11 Nov 94 p 2

["Special dispatch": "Beijing Sets Three Conditions for Establishing Diplomatic Relations With the Vatican"]

[FBIS Translated Text] Foreign Ministry spokesman Shen Guofang said today: If the Vatican severs the so-called diplomatic relations with Taiwan; recognizes that the Government of the People's Republic of China is the sole legal government of China, and that Taiwan is a part of the territory of China; and stops interfering in China's internal affairs, including China's religious affairs; all other problems can be solved through normal ways. If the Vatican cannot do these few things, there is no basis for consultations or discussions.

Shen Guofang made this statement when answering a reporter's question on relations between China and the Vatican at a news briefing held by the Foreign Ministry. The reporter raised the question, using the opportunity of the arrival in Beijing today of Wu Cheng-chung, bishop of Hong Kong of the Catholic Church, for a visit.

#### Child Rights Protection of 'Great Importance'

OW1511010294 Beijing XINHUA in English 0003  
GMT 15 Nov 94

[FBIS Transcribed Text] United Nations, November 14 (XINHUA)—The Chinese Government had always attached great importance to the protection of the rights of the child, a Chinese delegate told the General Assembly Third Committee today.

Delivering a statement at a committee meeting today, Zhao Yong said that after signing the convention on the

rights of the child, China strengthened its legislation on the protection of the rights of the child by promulgating the law on the protection of minors.

In order to implement the law effectively, he said, the Chinese Government had required all the provinces, autonomous regions and municipalities under the direct administration of the central government to finish formulating specific plans for the implementation of the law in their respective region before 1995.

Zhao told the meeting that it was illegal to engage in the employment of child labor, the sale of children and child pornography in China. The Chinese Government had adopted many measures to punish these illegal activities.

On the situation of the world child rights protection, Zhao hoped that the international community and the countries concerned would adopt appropriate measures for the comprehensive improvement of the situation of the children living under especially difficult circumstances including armed conflicts.

Zhao also hoped that all countries would strengthen cooperation and adopt positive and effective measures to prevent and prohibit child labor, the sale of children and the practice of child prostitution and child pornography.

#### **International Symposium on Criminal Law Opens**

OW1411083294 Beijing XINHUA in English 0736  
GMT 14 Nov 94

[FBIS Transcribed Text] Beijing, November 14 (XINHUA)—An international symposium on making the implementation of the procedural criminal law more scientific and democratic opened here today.

According to the director of the preparatory group of the symposium, over 80 leading Chinese officials and 20 experts from 12 other countries and regions, including the United States, Japan, France, Hong Kong and Taiwan, are attending the four-day symposium.

Minister of Justice Xiao Yang said at the opening ceremony that this symposium is the first of its kind.

Those attending will discuss eight themes, including reform of criminal trial procedures.

Such discussions will help improve the procedural systems worldwide, said Xiao.

He added that, as China's National People's Congress Standing Committee is revising the country's procedural criminal law, the symposium offers China a chance to learn from foreign legislation expertise.

#### **Beijing Submits Draft Resolution to UN**

OW1211062394 Beijing Central People's Radio  
Network in Mandarin 1030 GMT 9 Nov 94

[From the "National Hookup" program]

[FBIS Translated Text] The Group of 77 and China yesterday jointly submitted a draft resolution to the Second Committee of the UN General Assembly. The resolution calls for joint efforts from governments of various countries for establishing a free and equal international trade system with rules and regulations so that developing nations can trade their products in the international market.

On behalf of the Group of 77 and China, Ramtane Lamanra, Algerian representative to the UN, offered an explanation on the draft resolution at the meeting. He pointed out: Although the Uruguay round of multilateral trade talks may increase the degree of transparency of the world trade system, the new international trade provisions are favorable to developed nations. However, developing nations must shoulder more obligations as compared to the past. Developing nations that incur losses due to implementing resolutions reached at the Uruguay round of multilateral trade talks should be compensated as much as possible.

#### **XINHUA Views UN 'Law of Sea' Convention**

OW1611121494 Beijing XINHUA in English 0926  
GMT 16 Nov 94

["China Welcomes UN Maritime Law"—XINHUA headline]

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—The United Nations Convention on the Law of the Sea, the most extensive and influential international law on maritime management, goes into effect today.

The convention has been widely welcomed by the international community, said Yan Hongmo, administrator of the China Oceanic Administration, here today.

Yan said that the going into effect of the convention marks the establishment of a new international maritime order and will have a significant impact on the development of the world economy and society.

"The relevant legal systems and regulations in the convention are essential to protecting China's maritime interests," he said.

The convention stipulates that littoral states have the right to delimit 12-nautical-mile territorial waters and an exclusive economic zone of 200 nautical miles. It also establishes the principle that a continental shelf is a natural extension of the territory of coastal countries.

Consisting of 17 parts, nine appendices and 446 articles, the convention covers all maritime aspects and problems, including territorial waters and neighboring areas, international navigation through straits, archipelago nations, exclusive economic zones, continental shelves, high seas, island systems, closed and semi-closed seas, access of land-locked countries to the oceans and freedom of passage, international seabeds, protection and preservation of the marine environment, marine

scientific research, developing and commercializing marine technology, and solutions to disputes.

According to the convention, a coastal state has the sovereign right over its exclusive economic zones and the natural resources in its continental shelf.

It also affirms that the international seabeds and resources therein are the property of the whole of mankind. The International Sea-Bed Authority will control the exploitation of resources in international seabeds.

Yan said that, at present, 67 countries have ratified the convention, which satisfies the requirement that 60 or more countries must ratify it for it to go into effect.

He said that China, one of the first countries to sign the convention, made important contributions to its formulation.

Experts here hold that the next century will be one of marine exploration. As "the blue 21st century" comes up, the convention brings China both opportunities and challenges, they note.

During the period of post World War II and early 70's, the exploration of marine resources has been becoming more and more important as modern scientific technology has kept advancing.

Most developing countries have strongly called for protecting their maritime interests and opposing maritime supremacy by establishing a new maritime legal order.

In 1973 the United Nations held the third Meeting on Maritime Law, and the Convention on the Law of the Sea was approved nine years later.

Since the convention was opened for signing, 159 countries and entities have signed it.

#### **Delegate Announces \$250,000 to UN Refugee Program**

OW1111171494 Beijing XINHUA in English 1649 GMT 11 Nov 94

[FBIS Transcribed Text] United Nations, November 11 (XINHUA)—China has decided to donate 250,000 U.S. dollars in support of the UN High Commissioner for Refugees (UNHCR).

Speaking at the meeting of the ad hoc committee of the General Assembly for announcing pledges of contributions to the 1995 programs of UNHCR, Chinese delegate Zhao Jian said China donated in the spirit of humanitarianism and burden-sharing though it still faced financial constraints in developing its economy and promoting social development.

He said that due to territory disputes, armed conflicts, natural disasters as well as abject poverty, the world refugee population had exceeded 20 million.

The international community and all governments should render great assistance and provide resources and

moral support to the work of UNHCR, Zhao said. He added that the developed countries should undertake more obligations by offering more resources and material assistance in this regard.

#### **Commentary Praises Benefits of DPRK-U.S. Agreement**

HK1411075494 Beijing LIAOWANG in Chinese No 45, 7 Nov 94 p 43

["International Commentary" column by Tang Tianri (0781 1131 2480): "A DPRK-U.S. Agreement of Far-Reaching Impact"]

[FBIS Translated Text] Recently, a decisive turnaround has appeared in the Korean nuclear crisis, which has lasted a year and a half. On 21 October, the DPRK and the United States signed a framework agreement in Geneva on the Korean nuclear issue. This will inevitably have an important and far-reaching impact on the Korean Peninsula and the Northeast Asian region.

According to the DPRK-U.S. agreement, the "most important and basic problem" of the Korean nuclear issue—the replacement of the original graphite reactor with a light-water reactor—has been solved. Under this agreement, the United States has pledged to build one 2,000-megawatt or two 1,000-megawatt light-water reactors for the DPRK over a period of approximately 10 years. Until the light-water reactor has been completed, the United States will, along with other countries, provide the DPRK with heavy oil as an energy compensation. The DPRK agreed to freeze its existing nuclear program, including not adding new nuclear fuel to a 5-megawatt nuclear reactor, stopping construction of two graphite moderate reactors, closing the plant for fuel treatment, ensuring temporary and safe storage of the 8,000 nuclear fuel rods taken from a 5-megawatt reactor, and agreeing to accept inspection of all its nuclear facilities by the International Atomic Energy Agency in the future. Moreover, the United States pledged not to use nuclear weapons against the DPRK, and the latter pledged to carry out the North-South Denuclearization Declaration with the ROK and to return to the "Nuclear Non-Proliferation Treaty."

The signing of the DPRK-U.S. Agreement will improve the DPRK-U.S., DPRK-ROK, and DPRK-Japan relationships.

The DPRK-U.S. agreement has paved the road for improving DPRK-U.S. relations. The DPRK maintains that the agreement is a document of "historical significance." It will be conducive to the improvement of bilateral relations between the United States and the DPRK, which are "abnormal" at present and will contribute to the peace and security in the Korean Peninsula and the other Asian regions. The United States believes that the framework agreement will help establish trust between the two countries and improve bilateral relations. According to the agreement, the United States will



gradually relax trade and investment restrictions within three months after the agreement is put into effect, after which both sides will establish a diplomatic liaison office in on another's capital. It is also planned that bilateral relations will be upgraded to the ambassadorial level.

The DPRK-U.S. Agreement has created a good atmosphere and favorable conditions for the DPRK and the ROK to resume political dialogue. The ROK holds that the agreement has brought about a fundamental solution to the Korean nuclear issue and has laid a solid foundation for stability and peace on the Korean Peninsula. Therefore, dialogue between the north and the south will likely be resumed by the end of this year or the beginning of next year.

The DPRK-U.S. Agreement has provided an opportunity for improving DPRK-Japan relations. Japan has expressed its "support" for the DPRK-U.S. Agreement and is ready to resume Japan-DPRK talks. According to Japan's SANKEI SHIMBUN, a meeting held on 24 October, which was attended by heads of the Japanese government and various political parties in power, decided that the three parties in power—the Liberal Democratic Party, the Democratic Socialist Party, and the Japan New Party—would send a joint delegation to the DPRK to participate in a talks for the normalization of diplomatic relations between Japan and the DPRK.

The DPRK-U.S. Agreement has brought good tidings of peace and stability to the Korean Peninsula and the entire northeast Asian region and is thus conducive to the region's cooperation and development.

Both the northeast and southeast Asian regions are the most energetic regions in east Asia and are exhibiting a high economic growth rate. The reason for the economic prosperity in these regions is the relatively relaxed and stable situation. The northeast Asian region includes Japan, China, the ROK, the DPRK, Russia, and Mongolia. The differences between various countries in industrial structure and level of economic development mean that they can supplement one another's deficiencies. This is conducive to the development of diverse forms of economic cooperation and to promoting economic development.

However, compared with the southeast Asian region, regional economic cooperation in northeast Asia has been developing slowly. For example, since becoming effective in 1992, very little headway has been made in the implementation of the "Tuman Gang Development Scheme," a plan for north Asian regional cooperation worked out jointly by the above-mentioned six countries under the auspices of the UN Development Program. One of the many reasons for this is the turbulent situations in the Korean Peninsula and Russia. It is believed that, with the disappearance of this flashpoint in the region and the elimination of other unfavorable factors, economic cooperation and development in the northeast Asian region will surely get onto a healthy and high-speed track.

After numerous setbacks in talks, the DPRK and the United States have finally reached a framework agreement. The process and result of this has convincingly told the world that peace and development form the main stream of the contemporary world. It is also the common wish of the people of various countries. All regional conflicts and disputes, however sharp and complicated and whatever setbacks they suffer, can be resolved in this mainstream. Politicians should all have a clear understanding of this general trend and should conscientiously resolve contradictions and conflicts through dialogue and consultation. In this way, fewer roundabout ways will be taken and there will be fewer losses.

#### International Antidesertification Treaty Signed

OW1611125494 Beijing XINHUA Domestic Service in Chinese 0304 GMT 10 Nov 94

[By reporter Zhao Lianqing (6392 6647 1987) ]

[FBIS Translated Text] Beijing, 10 Nov (XINHUA)—At a recent ceremony in Paris, representatives from China and 111 other countries signed an International Treaty on Preventing and Harnessing Desertification [ITPHD]. Henceforth, the history of the world's antidesertification work will enter a new chapter.

At a recent briefing, Minister of Forestry Xu Youfang said: China's efforts to organize and implement the ITPHD will not only be significant in improving the ecology and developing the national economy, but are also part of China's international obligations to fulfill the agenda for the 21st century of the United Nations Congress on Environment Protection and Development. China has changed the name of the "National Group on Coordinating Work in Harnessing Deserts" to that of "China's Group on Preventing and Harnessing Desertification," or the "ITPHD Chinese Executive Committee" to the international community. Its principal duties are to collect information on China's current desertification tasks and related development; evaluate and monitor the data; formulate antidesertification zones and programs; devise China's general and specific antidesertification policies; draft relevant laws or regulations and supervise their implementation; and provide unified guidance and execute administration over antidesertification work across China.

According to the ITPHD definitions, China's arid and semi-arid areas account for about one-third of its land area, with a population of 400 million people. The total area of desert is continually expanding. Commenting on ways to resolve the serious problem, Minister Xu Youfang proposed: While aiming to restore and transform existing deserts, we should also prevent new deserts from appearing. Meanwhile, we should note the prospects of developing desert land. China has 1 billion mu of usable desert and wasteland with great potential for development. We should transform burdens into wealth; expand the acreage of afforested, pastoral, and cultivated land;



raise land productivity; change deserts into oases; and improve living standards and enhance economic progress in desert areas.

Commenting on major tasks in future antidesertification work, Xu Youfang said: To promote antidesertification work across China, we should construct in various localities a number of exemplary models that have successfully and comprehensively harnessed desertification.

As early as in 1991, China's government has included antidesertification work in its national social and economic development programs, and has approved an "Outline of Antidesertification Projects During 1991-2000." After implementing the antidesertification projects for more than three years since 1991, China has harnessed and developed 33.66 million mu of desert land. At present, China's agriculture, forestry, and water resources departments are operating more than 600 development undertakings in desert land. China's success in launching antidesertification projects and subsequent remarkable progress in this regard indicate that China's antidesertification work has entered a new phase whereby it can stress on enhancing the scale, efficiency, and stable progress in the projects.

#### **Trade Union Promotes Nongovernmental Exchanges**

OW1211234394 Beijing XINHUA in English 1546  
GMT 12 Nov 94

[FBIS Transcribed Text] Beijing, November 12 (XINHUA)—Nearly 1,000 foreign business people found Chinese partners with the help from the Chinese Worker's Center for International Exchange.

Speaking at a meeting here today to mark the center's 10th anniversary, Wei Jianxing, president of the All-China Federation of Trade Unions (ACFTU), said that the center has played a positive role in promoting non-governmental exchanges and cooperation between China and the rest of the world.

He noted that work done by the center has been an important part of the international activities of China's trade unions.

The center was set up in November 1984 with the sponsorship of the ACFTU and support from the China Enterprise Management Association, the China Council for the Promotion of International Trade, China Association for Science and Technology, All-China Women's Federation and All-China Youth Federation. It is aimed at promoting mutual understanding, friendship and cooperation between Chinese and foreign workers, and between nongovernmental organizations.

Over the past decade the center has sent some 1,500 Chinese workers abroad to study and invited about 100 experts from Japan, Italy and other countries to give lectures for Chinese workers.

#### **'Confusion' in Summit of Americas Agenda Noted**

OW1511005394 Beijing XINHUA in English 0010  
GMT 15 Nov 94

[News analysis' by Wang Nan]

[FBIS Transcribed Text] Washington, November 14 (XINHUA)—Less than a month away from the Summit of the Americas, the United States and its southern neighbors still cannot agree on what they should talk about at the Miami confab.

Even among the Latin American countries, which usually view themselves in the regional context economically and politically, the speed of paving the way for free trade is still a topic of sensitivity.

When U.S. President Bill Clinton proposed a year ago the summit of the 34 leaders, trade was a central issue in the long list of democracy, security, narcotics, immigration and the protection of environment.

But, according to analysts and Latin America sources, the summit now has the danger of becoming merely a photo opportunity as the White House appears reluctant to discuss trade expansion with the south.

Accession to the North American Free Trade Agreement (NAFTA), which groups the U.S., Canada and Mexico, will be discussed at the summit, but compared with a year ago, the prospects for Washington to make commitments are dim.

This is a disappointment to most of Latin Americans. "We're not asking for aid. We're asking for free trade," said Jorge Montano, Mexico's ambassador to the U.S. "The fact of get-together is not enough. We need something concrete."

Added Edgar Teran, Ecuador's ambassador to the U.S., "there is a dangerous situation that the summit could be converted into a single discussion of democratic documents. This is important, but not the most important."

The summit on December 9-11 in Miami, Florida, is the first of its kind since 1967 and will be joined by all the leaders in North America, Central America, the Caribbean and South America, excluding Cuba.

Part of [the] confusion has something to do with the Clinton administration, whose "fast track" authority in negotiating trade agreement with foreign governments has been delayed and its renewal by congress is now in doubt.

With "fast track" authority, with which the North American Free Trade Agreement and the Uruguay Round agreement of the world trade talks were negotiated, the administration strikes trade accords which allow no congress amendment.

"The leaders were invited to the summit without a clear clue of what they want to do," said Gary Hufbauer,

senior fellow at the Institute of International Economics, "and there is a tendency to move the focus of the summit away from trade."

The administration, denying that trade has been side-stepped because of its own problem with "fast track", stressed that subjects like environment, education, health and government are "concrete and very real items."

"We see as very concrete and important how the nations of this hemisphere govern themselves, whether those governments have the respect and the adherence of the people which they govern," said Jake Gillespie, senior U.S. coordinator of the summit.

Resistance also came from such Latin American countries like Brazil, which insisted that before discussing the ways and means of NAFTA expansion, regional trade initiatives such as the four-country Mercusor should be consolidated.

"We are very committed towards free trade," said Brazilian Ambassador to the U.S. Paulo Tarso Flecha de Lima. "But we prefer a careful, step-by-step approach. We should not expect more than reality can provide us."

At the ambassador's forum at the Heritage Foundation today, the ambassador warned, "plans that are too ambitious tend never to be implemented.... Hasty decisions should be avoided, for they may create unnecessary rigidities."

It is estimated that establishing a Western hemisphere free trade area, which encompasses all of the Americas, will boost the U.S. and Latin American trade by more than 70 billion and nearly 200 billion dollars respectively by 2002.

"The coming summit is a historic opportunity and we must let it go by," said Raul Granillo Ocampo, Argentina's ambassador to the U.S. "We will disagree. We must not allow those disagreements to overcome our agreements."

#### **U.S. in Process of Delinking Human Rights, Trade**

OW1511104894 Beijing XINHUA in English 0816  
GMT 15 Nov 94

[FBIS Transcribed Text] New Delhi, November 15 (XINHUA)—U.S. Undersecretary of Commerce for International Trade Jeffrey Garten has said here that the U.S. is in the process of delinking human rights from its trade policy.

In an interview with local newspaper ECONOMIC TIMES, Garten said the U.S. Government has consciously decided to delink the issue of human rights from trade-related matters when dealing with countries such as India and China.

According to the newspaper which published the interview today, Garten said that the U.S. Government understood the problems faced by India related to the situation such as in Kashmir, allaying fears of any human rights-linked trade sanctions.

"We feel that the Indian Government understands the importance of preserving human rights as much as the U.S. Government, and it is up to the Indian Government to take up the necessary actions," he said.

#### **U.S. Halts Arms Ban Enforcement on Bosnia**

OW1211004094 Beijing XINHUA in English 2036  
GMT 11 Nov 94

[FBIS Transcribed Text] Washington, November 11 (XINHUA)—The United States will stop enforcing the arms embargo against the Muslim-dominated Bosnian Government starting tomorrow local time, officials said today.

The move, which will go into effect at 0500 GMT on November 13th, will have more political than practical effects on the arms situation in Bosnia.

For now, only three out of 20 North Atlantic Treaty Organization (NATO) warships in the Adriatic Sea come from the United States, a senior defense official said.

Besides, since the enforcement of the 1991 UN resolution that would cut arms flow to all three belligerent sides, only three out of 42,000 ships inspected contained weapons bound for the Bosnian Muslims.

More than 700 out of the 42,000 ships would be diverted because of embargo violations.

The decision came just two days before a deadline set by the U.S. Congress to cut off funding for the enforcement if the Bosnian Serbs refused to accept an international peace plan.

It would certainly strain Washington's relations with its European allies and Russia, all strongly oppose an end to the UN-authorized arms ban.

Unlike the United States, both the European nations and Russia have ground troops in Bosnia.

The Europeans were reluctant to lift the ban for fear that more arms could lead to an escalation of fighting, therefore endangering their soldiers. Russia has strong cultural and historical ties with the Serbs.

At a Pentagon briefing, senior officials said the U.S. ships would continue to interdict vessels containing surface-to-air, air-to-air and air-to-surface missiles, anti-navy weapons and other weapons of mass destruction, wherever their destination.

Under the new guideline, if the U.S. military identifies a ship containing weapons bound for the Bosnian Muslim Government, it would no longer divert the vessel, or pass the information to the United Nations or NATO.

As a practical matter, U.S. commanders serving at the NATO will have to keep the Muslim cargo information to themselves and take no actions.

The U.S. Navy would continue to enforce the UN arms embargo against Bosnian Croats and Bosnian Serbs as well as the no-fly zones and weapons-exclusion zones in Bosnia.

The United Nations voted to impose an arms embargo against all parties of the Bosnia conflict in 1991.

About 200,000 people were dead or missing in the 13-month war in Bosnia between the Serbs, the Croats and the Muslims.

Earlier this year, the Bosnian Croats and Muslims formed alliance in a federation. Both the Croats and Muslims have agreed to a peace plan put forward by Britain, France, Germany, Russia and the United States.

The Bosnian Serbs are vehemently against the so-called "contact group" plan, which requires the Serbs to give up some of the land captured, shrinking their share from the current 70 percent to 49 percent.

#### **ROK Joins Suzhou Industrial Park Consortium**

*OW1611121894 Beijing XINHUA in English 0909 GMT 16 Nov 94*

[FBIS Transcribed Text] Singapore, November 16 (XINHUA)—The Samsung Group of South Korea formally joined the consortium spearheading the development of a modern industrial park in Suzhou, China, the Singapore-Suzhou Township Development Pte Ltd (SSTD) announced here today.

With the signing of the shareholder's agreement in Seoul today, Samsung became the first non-Singaporean and the 20th member of the SSTD consortium, which is led by Singapore's Keppel Group.

All 20 shareholders of the SSTD now have equal shareholding of 2.25 million U.S. dollars each.

Sin Se-kil, president of Samsung Corporation, was the signatory for Samsung while Loh Wing Siew, managing director of Keppel Corporation Ltd, signed the agreement on behalf of the other 19 Singapore shareholders of SSTD, it said.

"The Singapore-Suzhou township is meant for international investors, not just Singaporeans and Chinese. The inclusion of members of other nationalities in SSTD will make the development a truly international one, and will certainly attract other major investors to the township," Loh said, adding that Mitsui and company and Mitsubishi Corporation of Japan had publicly expressed their keen interest to join SSTD.

"Besides contributing their network, expertise and financial resources, Samsung also adds prestige to SSTD. The

members of the consortium are most pleased to be associated with such a big and established group like Samsung," he said.

The Singapore-Suzhou Industrial Park is located 80 kilometers west of Shanghai and will occupy 70 square kilometers when completed.

It will offer modern industrial, commercial, residential and recreational facilities to support a population of 600,000 and provide employment for 360,000 local and expatriate personnel.

According to the SSTD, total development cost for the project is estimated at 20 billion U.S. dollars.

The SSTD is undertaking the overall development of the entire project in joint venture with a Chinese consortium. It is responsible for the master planning, land preparation, infrastructure development as well as marketing to international investors who could take up plots of land in the industrial park to set up manufacturing operations or for further development.

Samsung Group, through Samsung Electronics, has committed an investment of 500 million U.S. dollars to build its own industrial complex to manufacture semiconductors and other electronic/electrical products, SSTD said.

#### **XINHUA: Russia Regrets UN Sanctions Against Iraq**

*OW1611073894 Beijing XINHUA in English 0706 GMT 16 Nov 94*

[FBIS Transcribed Text] Moscow, November 15 (XINHUA)—Russia today expressed regret over UN Security Council's decision to continue its sanctions against Iraq.

The INTERFAX NEWS AGENCY quoted Russian Foreign Ministry officials as saying that Iraq had "taken some positive steps" recently in cooperation with the United Nations.

The UN Security Council decided to make no changes of its sanctions after a closed-door review of the sanctions it imposed on Iraq in 1990.

The sanctions are reviewed by UN on a two-month basis.

Russia and France want the Security Council to lift oil embargo in six months to award Iraqi cooperation in the destruction of its chemical and biological weapons.

The United States, however, argued that Iraq had not done enough to show its "peaceful intention" as was required in Council Resolution 867, which set conditions for lifting the sanctions.

#### **Central Eurasia**

##### **Ministry Confirms Imports of Radioactive Ukrainian Steel**

*HK1611095394 Hong Kong AFP in English 0917 GMT 16 Nov 94*

[FBIS Transcribed Text] Beijing, Nov 16 (AFP)—Chinese traders have since last year been importing



radioactive Ukraine scrap steel in shipments of metal taken from old Soviet warships, officials confirmed Wednesday in a Press Digest [WENZHAI BAO] report.

The Ministry of Metallurgical Industry cited traders as saying the radioactive metal was among large quantities of scrap imported by China's ailing steel companies in the past year to keep down production costs as the price of higher quality raw materials soared domestically.

Cash-strapped Ukraine, spotting a hungry market, has exported large amounts of scrap to China at rock-bottom prices, the report said, adding that much had been taken from former Soviet warships and nuclear submarines. Some of the scrap was radioactive, it said, but gave no precise figure.

Although the Chinese government requires that imported scrap steel has a country-of-origin certificate, the Ukraine shipments managed to enter either without such documents or with fake certificates, it said.

The authorities informed the relevant trading companies and customs of the practice in the spring, but they ignored the warning and large-scale imports of the scrap steel are continuing, it said.

Steel traders in Shanghai and Hong Kong estimated in August that millions of tonnes of scrap had been imported from Ukraine, most of which is smelted and used for building materials. At that time, industry sources in Hong Kong expressed alarm that one the Bank of China's trading arms is expected to fill orders for 800,000 tonnes of Ukrainian steel this year. According to the traders, some of the orders involve import companies attached to ministries and state-run steel companies in Guangzhou, Shanghai and Shenzhen, which have sold the steel on the domestic market through their trading companies.

Steel made from Ukraine scrap is of notoriously poor quality and some companies have been passing it off as Japanese, South Korean, US and Chinese.

Last year, Chinese traders imported vast quantities of steel from former Soviet republics, but suffered huge losses from stockpiling and a collapse in prices after the government took measures to cool the 1992-1993 construction boom. Imports of steel have however remained high, with 10.8 million tonnes being shipped in the first half of 1994, increasing the size of stockpiles that hit 30 million tonnes at the end of 1993.

### Northeast Asia

#### Japanese Official Discusses Yen Loans to China

OW1611121594 Beijing XINHUA in English 1136  
GMT 16 Nov 94

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—The fourth batch of Japanese yen-loan to China

now under negotiation is expected to be large [larger] than the third, according to a Japanese official.

"The total volume will be no less than the third yen-loan program, though the final figure is under negotiation," said Counsellor Takashi Koezuka, head of the Economic, Commercial and Development Cooperation Department with the Embassy of Japan in Beijing.

The lending period of the third batch of loans, totalling 82 billion yen, expires by the end of 1995.

During an inspection tour on yen-aided projects in southwest China's Guizhou and Yunnan Provinces, Koezuka told Chinese reporters that a "three-plus-two" plan would be adopted to break the previous five-year lending undertaking into two parts.

Under the new plan, the two countries would first negotiate on the projects and lending volume for the first three years. The lending line for the remaining two years would be decided by talks on an annual basis.

According to Koezuka, the fourth yen-loan program would cover China's Ninth Five-Year-Plan Period which ends in the year 2000. As China's economy is developing rather fast, it is possible that some changes would be made in investment priority and specific fields.

"The three-plus-two plan will make the program more flexible," said Koezuka.

He noted that the Chinese Government has accepted the plan and the two sides have agreed that the future yen loans would mainly be used in China's infrastructure construction as well as in agricultural development and environmental protection projects.

To help China narrow the gap between regional economies, a considerable part of the yen loans would be provided to inland areas, said Koezuka.

Statistics from Japan's Overseas Economic Cooperation Fund (JOECF), the executive body of Japanese Government loans, show that from 1979 to 1993, Japanese Government loans to China totalled 1,400 billion yen (14 billion U.S. dollars). China is JOECF's second largest debtor after Indonesia.

The yen loans have contributed considerably to China's economic growth. In rail construction, for instance, about 4,400 kilometer electrified railways completed or to be completed by the end of 1995 are built with yen loans, accounting for 25 percent of the total length of such railways constructed by China in the past 15 years.

Apart from yen loans, China has also benefited from Japan's Government aid gratis, which amounted to 88 billion yen (about 880 million U.S. dollars) during the past 14 years.

The grant has been used to improve conditions in China's agricultural production, medical and health care and environment.



In Guizhou Province, for example, a 1.5 billion Japanese yen gratis for water-supply project has provided 1.06 million rural people with hygiene drinking water, many of whom are from ethnic minority groups.

#### Anhui Province, Japan's Kochi Establish Ties

OW1511032894 Beijing XINHUA in English 0222 GMT 15 Nov 94

[FBIS Transcribed Text] Hefei, November 15 (XINHUA)—An agreement to establish a sister-link relationship between east China's Anhui Province and Kochi Prefecture of Japan was formally signed recently in Hefei, capital city of Anhui Province.

With a sincere wish to promote friendship between China and Japan, governors of Anhui and Kochi signed the agreement.

Anhui and Kochi will seek to promote exchanges and co-operation in development of economy, trade, science and technology, forestry, and agriculture as well as education and cultural development on the basis of equality and mutual benefit, according to the agreement.

#### ROK Newspaper Delegation Meets NPC Official

OW1611113794 Beijing XINHUA in English 0916 GMT 16 Nov 94

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—Vice-Chairman Lu Jiaxi of the Standing Committee of the National People's Congress (NPC) met with Chang Dae-whan, president of the "ECONOMIC DAILY" of the Republic of Korea, and his party here today.

Noting ROK's rapid economic development, Lu said that China wishes to learn from ROK's successful experience.

He expressed the hope that the press circles of the two countries promote information exchange so as to help enhance mutual understanding and economic cooperation between the two peoples.

Chang and his party are here on a week-long visit as guests of the "ECONOMIC INFORMATION DAILY," which is affiliated to the XINHUA NEWS AGENCY.

Chang said this is his fourth trip to China and that he got a totally fresh impression whenever he was here.

Chinese Premier Li Peng's recent visit to ROK has brought broad prospects to industrial cooperation between the two countries, Chang told Lu.

During the meeting, Lu also briefed the ROK guests on China's economic and social development.

Vice-President Gao Qiuwu of the XINHUA NEWS AGENCY, and editor-in-chief of the "ECONOMIC INFORMATION DAILY" Huang Zhenggen took part in the meeting.

### Southeast Asia & Pacific

#### Shenzhen Court Tries Australian Businessman

HK1611131394 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0918 GMT 16 Nov 94

[By Wang Min (3769 2549) ]

[FBIS Translated Text] Shenzhen, 16 Nov (ZHONGGUO TONGXUN SHE)—The Shenzhen Intermediate People's Court this morning began the public trial of Peng Jiandong, a former director of the Shenzhen Yuanye Textile Shareholding Company Limited, who is charged with corruption and embezzlement.

The accused, Peng Jiandong, a native of Guangdong's Jiexi, was formerly general manager and director of the Shenzhen Yuanye Textile Shareholding Company Ltd and director of the Yuanye Industrial Shareholding Company Ltd. He emigrated to Australia in May 1989 and obtained Australian citizenship in December 1991. The indictment of the Shenzhen People's Procuratorate accused Peng of applying for a \$1.5-million loan from the Shahe branch of the Shenzhen Construction Bank during February and March 1989 using the excuse that the Shenzhen Yuanye Textile Shareholding Company Limited was to invest in the Sino-Australian Luping Company of Australia. After obtaining the loan, Peng remitted some of it to a savings account under Runtao Industrial Company Ltd in Hong Kong and then transferred HK\$1,105,910.16 [Hong Kong dollars] for his personal use. Moreover, Peng also embezzled 290,000 yuan of public funds in February 1992 to repay debts he incurred through gambling. In light of this, the Shenzhen Procuratorate charged Peng Jiandong with embezzling HK\$1,105,910.16 and 290,000 yuan, which constitutes a crime of corruption and embezzlement.

The collegiate bench of the Shenzhen Intermediate Court investigated Peng Jiandong's case this morning and this afternoon. The trial is still in progress.

### Latin America & Caribbean

#### Qiao Shi Urges More Sino-Argentine Trade

OW1611020394 Beijing XINHUA in English 0136 GMT 16 Nov 94

[FBIS Transcribed Text] Buenos Aires, November 15 (XINHUA)—Qiao Shi, chairman of the Standing Committee of the National People's Congress (NPC) of China, today called for more trade and economic cooperation between China and Argentina.

"Sino-Argentine trade can be increased," Qiao, who is here on a four-day visit, said at a meeting this morning with Alberto Pierri, president of the Argentine Chamber of Deputies. "But this requires the joint efforts of the two sides."

He noted that economic cooperation between the two countries can also be strengthened on the existing basis.

On China's foreign policy, chairman Qiao said China follows an independent and peace-seeking foreign policy. "We hope to solve international disputes through peaceful negotiations and we do not agree to wantonly impose sanctions or put pressure to bear on other countries."

He pointed out that the world situation has experienced tremendous changes in the past few years, however peace and development remain the two major tasks for mankind.

He expressed China's desire to make efforts for maintaining world peace and promote the development of the human race.

Speaking at a luncheon hosted later by President Pierri in his honor, Qiao praised the Argentine people for their important contributions to the independence, development and progress of Latin America and their great achievements in economic development and national construction.

He noted that ties between China's NPC and the Argentine Congress have been close and pledged to further boost the friendship and cooperation between the two sides.

#### **Argentina Supports PRC Sovereignty Over Hong Kong**

*OW1611022494 Beijing XINHUA in English 0140  
GMT 16 Nov 94*

[FBIS Transcribed Text] Buenos Aires, November 15 (XINHUA)—Eduardo Menem, provisional president of the Argentine Senate, today expressed his support to China for regaining its sovereignty over Hong Kong.

Meeting with Qiao Shi, chairman of the Standing Committee of the National People's Congress (NPC) of China, who is on a four-day visit here, Menem once again expressed his thanks for NPC's support for Argentina's sovereignty over the Malvinas [Falkland Islands].

"Argentina also supports China in restoring its sovereignty over Hong Kong," he declared.

Qiao said at the meeting that China is to renew its exercise of sovereignty over Hong Kong in 1997 on schedule and realize a smooth transition in accordance with the Sino-British Joint Declaration and the Basic Law of the Hong Kong Special Administrative Region. The policies for Hong Kong after the return of sovereignty to China will conform to the Basic Law and this will remain unchanged, he added.

Therefore, long-term prosperity and stability in Hong Kong will be guaranteed and no force whatsoever can prevent China from restoring its sovereignty over the port city, he stressed.

The chairman said the process of returning sovereignty over Macao to China has been going fairly smoothly and China will start to exercise its sovereignty over Macao again in 1999 on schedule in accordance with the Sino-Portuguese Joint Declaration and the Basic Law of the Macao Special Administrative Region.

Qiao thanked Menem for supporting the policy of "one country, two systems" China has adopted for Hong Kong and Macao.

He noted that Argentina has been following the policy of reform and opening and has registered rapid economic development.

He believed that China and Argentina will have closer cooperation in the economic and scientific and technological fields and obtain development jointly.

**Political & Social****CPC Official Allegedly Passed Secrets to Gao Yu***HK1611061794 Hong Kong EASTERN EXPRESS in English 16 Nov 94 p 8*

[By Bruce Gilley]

[FBIS Transcribed Text] A senior Communist Party official alleged to have passed state secrets to the mainland journalist Gao Yu was jailed for 13 years last year for taking bribes from the head of the country's richest village. It has emerged that Gao Chao, an official at the general office of the Communist Party's central committee, was detained in April 1993 after taking bribes from leaders of Daqiu Zhuang to provide information about an investigation into a murder in the village, senior party sources in Beijing revealed yesterday.

The sources confirmed that Gao is the same man alleged to have passed information to the mainland journalist Gao Yu, who recently received a six-year jail term over articles she wrote last year for the Hong Kong-based *Mirror* magazine [CHING PAO].

In August last year, court officials in Tianjin sentenced Yu Zuomin, the party secretary and business head of Daqiu Zhuang, to 20 years in prison for abetting the murder of a migrant worker and blocking an investigation into the case.

An official report on the sentencing of the eight people involved in the Daqiu Zhuang affair said that Yu Zuomin "paid tens of thousands of yuan to bribe a government official in order to obtain confidential information and interfere with the investigation of the case". No details were ever provided about the "government official" concerned, though it was assumed the official had access to top-level files within the party.

The link to central government informers was thought to have caused extreme embarrassment to Chinese leaders, who attempted to distance themselves from the formerly toasted "model village".

Sources in Beijing confirmed yesterday that Gao was sentenced to 13 years in prison for "serious corruption" involving the Daqiu Zhuang case following a secret trial in July 1993. He was accused of informing Yu about the central government's plans to order the use of paramilitary forces to bring the village under control, as well as its intention to sentence him to between 10 and 20 years in prison.

Following the murder of a migrant worker in December 1992, Tianjin police were repeatedly repulsed by hired thugs in Daqiu Zhuang in attempts to investigate the case. The resistance from the famous village forced the then Tianjin mayor, Nie Bichu, to seek the assistance and backing of the central government.

It was assumed that handling of the sensitive case rested with the Communist Party rather than judicial bodies

given the fact that tiny Daqiu Zhuang—where people were said to live like kings—was a powerful symbol in communist propaganda in the promotion of the reforms of the patriarch, Deng Xiaoping.

Gao's name remained a secret until it came up at the weekend in connection with his alleged passing of state secrets about government reforms to Gao Yu. The document said that Gao Yu went to the office of Gao Chao on two occasions, in January and February of 1993, to collect documents. The named documents, Speeches from the Plenary Session of the Party Central Military Commission and the Project for the Reform of the Administration System and the Reform of Structures were compiled by the party's Central Committee.

It was in these same months that Gao Chao is alleged to have been on the take from Yu Zuomin over the Daqiu Zhuang affair. The two Gaos, who are not related, are thought to have been university schoolmates and are both now in their fifties.

A written verdict issued by Beijing's Intermediate People's Court at the weekend said that Gao Chao had been taken into custody last year, but provided no further details on his case. "He has already been jailed for 13 years, so in a way the Gao Yu case will have no effect on his status, other than ensuring he has no chance for parole," a party source said yesterday. "They would not dare to retry him over the Gao Yu case because he is too sensitive a figure already." Gao Yu's husband plans to appeal against the six-year sentence, while the publisher of *Mirror*, Xu Simin, has vowed to find out what state secrets were allegedly leaked.

**Commentary on Party Style, Discipline Violations***OW1511131294 Beijing XINHUA Domestic Service in Chinese 0615 GMT 8 Nov 94*

["Short Commentary": Severely Punish Those Who Go Against Party Style and Violate Discipline]

[FBIS Translated Text] Beijing, 8 Nov (XINHUA)—Chen Kaiquan and two other persons were severely punished for going against party style and violating discipline. They have only themselves to blame.

Since the Second Plenary Session of the CPC Central Commission for Discipline Inspection, the CPC Central Committee has mandated that using public funds to travel in other regions and countries is forbidden and it has issued two "Five Provisions" concerning the integrity and self-discipline of leading party and government cadres at or above county and department levels. The majority of party and government leading cadres have conscientiously carried out the CPC Central Committee provisions. Their awareness of integrity and self-discipline has been further enhanced and the erroneous trend of using public funds to travel in other regions and countries has been curbed or basically redressed in some regions. The general situation is acceptable. However, a few party and government leading cadres like Chen



Kaiquan, Liu Fang, and Huang Zhenyi paid no attention to the CPC Central Committee provisions. They failed to set strict demands on themselves and deliberately violated party style and disciplines. Their acts seriously contaminated party style and social atmosphere. The party and government disciplines do not allow this to happen.

Party and government leading cadres must draw lessons from these three discipline violation cases and regard them as warnings. They must deeply understand the positions and responsibilities of leading cadres in the construction of party style and a clean administration. They need to conscientiously set strict demands on themselves in line with the CPC Central Committee provisions, observe discipline, and work diligently for the people and to achieve a clean administration. Party committees, governments, discipline inspection organs, and procuratorial organs at all levels must further strengthen supervision over and inspection of leading cadres to see if they violate the provisions on integrity and self-discipline. They must earnestly carry out the CPC Central Commission for Discipline Inspection's "Regulations Concerning Disciplinary Actions and Administrative Disciplinary Measures for Cadres At or Above County (Department) Levels Who Violate the 'Five Provisions'" and the "Opinions for Implementing the 'Five Provisions' for Cadres At or Above County (Department) Levels That Were Put Forward and Reiterated by the Third Plenary Session of the CPC Central Commission for Discipline Inspection." These organs must check their leading cadres to see whether they comply with provisions on integrity and self-discipline. They must severely punish people who violate orders and provisions and continue to violate party style and discipline. These violations can never be tolerated.

#### **Article on 'Democratic' Cadre Selection**

*HK1611085994 Beijing RENMIN RIBAO in Chinese*  
*12 Nov 94 p 1, 4*

[Commentator's article: "It Is Necessary To Implement the Principle Generally Acknowledged by People in Selecting Cadres"]

[FBIS Translated Text] Personnel selection and appointment is always an issue of great significance to the success or failure of the party's undertaking. In the process of establishing a socialist market economic system, selecting and appointing qualified personnel is a key issue. Comrade Deng Xiaoping pointed out: "Whether or not China's business can be done well, whether or not socialism and reform and opening up can be upheld, whether or not the economy can develop at a faster pace, and whether or not the country can have a lasting good order, the crux lies, in a sense, in the people." To select and appoint qualified personnel is "precisely to select those people whom the people generally regard as upholding the reform and opening-up line and have earned many achievements in their official

careers." The Decision of the Fourth Plenary Session of the 14th Central Party Committee emphatically pointed out: "A cadre's political integrity and ability should be judged mainly by his merits in carrying out the party's basic line, and public opinion should also be taken into account in the selection and appointment of cadres." Public opinion and the people's acceptance is the general summary of the mass line of the party's cadre work and the important guiding principle for being a good cadre in the future.

What is called the people's acceptance is, under normal circumstances, precisely the approval and support of most of the people. How to embody the people's acceptance? The basic requirement for cadre selection is to completely follow the mass line, to have a greater degree of mass participation, and to have the consent of most of the people. Now, in selecting cadres, most localities, units, and departments can, within certain limits, listen to the masses' opinions through such forms as public opinion polls and individual conversations, thus widening the channels for knowing and selecting personnel, making it more accurate in cadre selection, and expediting the process of reforming the cadre system. However, in selecting personnel, some units and departments have a narrow field of vision and are limited to small circles and, without enough mass participation, take no heed of the masses' opinions. This is still an outstanding issue with the present cadre work which has to be solved. Some are used to selecting personnel from a minority and rely on a minority to select personnel; some also lay stress on carrying forward democracy, but concrete measures and essential means are lacking; and some listen to the masses' opinions in form but do not fully respect the masses' aspirations, and in selecting and appointing cadres, it is still a minority or individuals who have the final say. In addition, because of careless inspection, individual cadres are inappropriately selected.

Individuals must not have the final say if cadre selection has to be universally accepted by the people. At present, it is really true that a small number of leading cadres who neither have a sense of democracy nor a democratic style of work are used to letting individuals have the final say. Due to their positions and working relations, leading cadres will understand some cadres better and deeper than others, but because of different personal experiences and viewpoints as well as the impact of such factors as personal feelings, leading comrades' understanding of cadres is always subject to certain limitations. But since cadres are living among the masses, the latter are most clear about the former's political integrity and ability as well as their official achievements. As shown by experience, as far as the cadre issue is concerned, it is absolutely to our advantage to follow the mass line; conversely, letting individuals have the final say often results in errors. Of course, this neither implies that leading cadres cannot recommend cadres nor that leading comrades cannot fully express their own views on cadre selection and appointment. Comrade Deng Xiaoping pointed out: "One of the major signs of mature

leadership is to be good at discovering, uniting, and appointing talents." Recommending capable people and appointing them on their merits is always an important duty of leading cadres at all levels. But the crux lies in that all cadres, no matter who recommends them, must go through organizational examination, follow the mass line, listen to "public opinion," and take into consideration the degree of "the people's acceptance," never can things be done in defiance of the set procedure merely because candidates are recommended by leaders, and neither can the selection of cadres be decided by individuals.

To win the people's acceptance, cadre selection must be done in accordance with the procedure set by the central authorities. The selection and appointment of leading party and government cadres must be done in accordance with the following procedure, that is, "putting forward a candidate for selection after going through democratic recommendation and listening to opinions from all sides; reporting the case to the higher authorities in accordance with relevant cadre jurisdiction after the organizational and personnel departments have examined it and the party committee have discussed it collectively; and submitting it to the party committee for discussion and approval after the organizational department at the higher level have further examined it."

This set procedure provides the cadre work with a system guarantee for following the mass line and embodying "the people's acceptance." "Democratic recommendation and listening to opinions from all sides" is precisely the indispensable procedure to embody the people's will and the people's acceptance. When we work in strict accordance with this procedure, carry forward democracy, and listen to and respect the masses' opinions, we notice the degree of the masses' acceptance and support and make the right decisions to select appropriate cadres. Conversely, we may select the wrong persons and do harm to the party's undertaking if we do not work in accordance with the procedure and take no heed of the masses' opinions. Working in strict accordance with the procedure and allowing the broad masses to take part in the work of cadre selection also helps strengthen the masses' supervision and guard against the unhealthy tendency on cadre appointment. So long as we work in strict accordance with the procedure, make clear the organizational intentions, and carry out the work by relying on the masses, there will be less obstructions, thus helping us in appraising and appointing cadres fairly.

To win the people's acceptance, it is necessary to create new methods to carry forward democracy in cadre selection. With the gradual establishment of the socialist market economy system, it is necessary to enrich the cadre work with new contents so that it can follow the mass line. Leading cadres and organizational and personnel departments at all levels must further emancipate their minds and transform their ideas, enthusiastically sum up and popularize the successful way of following

the mass line when selecting and appointing cadres in recent years, and constantly perfect it in practice. Meanwhile, we must keep trying to explore new methods and ways so as to fully embody the principle of the people's acceptance in the work of cadre selection.

Of course, while following the mass line and having a greater degree of democracy, the work of cadre selection must also be carried out in a guided and planned manner step by step. In particular, in those units and departments with complicated situations and unhealthy tendencies, we must conscientiously analyze the masses' opinions and cannot judge cadres solely by their popularity.

### China To Reform Social Security System in 1995

SK1611100394 Beijing XINHUA Domestic Service in Chinese 2058 GMT 12 Nov 94

[By reporter Zhang Jinsheng (1728 6930 0524): "China Will Take a New Step in Reforming the Social Security System in 1995"]

[FBIS Translated Text] Beijing, 13 Nov (XINHUA)—This reporter has learned from the state commission for restructuring the economy that our country will take a new step in reforming the social security system in 1995 by setting up and perfecting new unemployment, old-age, and medical insurance mechanisms with a view to suiting the demands for deepening the enterprise reform and setting up the modern enterprise system.

It is reported that in reforming the social security system next year, we should first continue to perfect and improve the unemployment insurance system. In line with the principle of fixing revenues according to expenditures and appropriately obtaining a reserve fund, we should unify the standards for the unemployment insurance fund and make a unified arrangement in this regard. An enterprise should pay 1 percent of the staff and workers' wage bills for unemployment insurance premium. Most of the unemployment insurance fund should be used as relief fund for unemployed staff members and workers as well as medical bills when they are unemployed. The unemployed staff members and workers who have continuously worked for a year are able to get unemployment relief fund for two months. The unemployment relief fund should be standardized at 50 percent of the local average wages so as to guarantee the unemployed staff and workers' basic living demands. Simultaneously, we should expand the unemployment insurance systems that have been in effect among state-owned enterprises at present to urban state-owned collective, shareholding, and private enterprises as well as the Chinese staff members and workers of the enterprises involving foreign capital.

Next year, the country as a whole will comprehensively implement the old-age and medical insurance systems. The urban old-age and medical systems should be set up in line with the principle of linking the social unified



arrangement with individual accounts and should be changed from expenditures according to revenues to reserve through accumulation. The old-age insurance mechanism is composed of various systems, such as basic old-age insurance, enterprise supplementary old-age insurance, social mutual-assistance insurance, and individual deposit old-age insurance systems. Individual accounts should be composed of two parts: First, staff members and workers as well as the units where they are employed should respectively pay old-age insurance premiums according to appropriate proportions. Second, the units where the staff and workers are employed should charge a proper proportion of the local average wages to staff and workers' individual accounts for old-age insurance premiums.

It is reported that the state will set up a special insurance fund for unemployed staff members and workers of the operationally suspended enterprises, the reorganized enterprises, and the enterprises that have declared bankruptcy. This fund should be collected through various channels.

**Official: No Plague Epidemic Among Humans**

OW1611010994 Beijing XINHUA in English 1419  
GMT 15 Nov 94

[FBIS Transcribed Text] Beijing, November 15 (XINHUA)—There does not exist any epidemic plague among human beings in China, an official of the Ministry of Public Health told XINHUA today.

"Saying that the plague has spread to 216 cities" in the country is "sheer fabrication," the official said.

The ASSOCIATED PRESS and other media of the West had earlier reported a so-called outbreak of the plague in western China.

The ministry official said that there were only two incidents of the plague among human beings, which were discovered in June and in October respectively in the outlying areas of northwest China's Qinghai Province and southwest China's Tibet Autonomous Region.

He said that in the two incidents seven people had contracted the disease which was immediately brought under control and prompt prevention measures taken.

The official noted that the Chinese Government has always attached great importance to the prevention of the plague and successfully controlled it as early as 1955. Since the 1960's, only an average of some 10 incidents of the plague have occurred every year, all in the sparsely-populated areas of northwest and southwest China.

In other places, the plague has been virtually eradicated among human beings, the official said.

**RENMIN RIBAO Carries QIUSHI No 22 Table of Contents**

HK1511124494 Beijing RENMIN RIBAO in Chinese  
14 Nov 94 p 6

[Table of Contents for Qiushi in Chinese No 22, 16 November 1994]

[FBIS Translated Text] Article by Gong Yuzhi: "Understanding of Study of the Decision of the Fourth Plenary Session of the 14th CPC Central Committee: New Great Revolution and New Great Project of Party Building"

Article by Li Wenquan: "Strengthen the System Under Which Collective Leadership is Combined With Division of Labor With Individual Responsibility"

Article by Shi Zhaobin: "Uphold and Improve Democratic Centralism in New Situation"

Article by Sun Jiazheng: "On Several Questions Concerning Correct Guidance of Public Opinion"

Article by Chen Bangzhu: "Strive to Explore New Path of Accelerating Development of Education in Old Revolutionary Base Areas, Areas Inhabited by Minority Nationalities, Frontier Areas, and Impoverished Areas"

Article by Wang Chunwu: "Seek Development in the Overall Situation—Understanding of Study of *Selected Works of Deng Xiaoping*, Volume 3"

Article by Wang Zhaoyao: "Survey of the Improvement of Land Contract System Reform by Fuyang Prefecture, Anhui"

Article by Zhu Aiqun, Liu Shengrong, and Dong Jianzhong: "Developing the Market by Relying on High Quality and Low Cost—Survey of Chunlan Group Company"

Article by Jing Tiankui: "Theoretical Thoughts on Modernization of Social Sciences"

Article by Gui Yongjia: "The Army and the People Work and Develop Together"

Article by Song Xiawu: "Actively Carry Out Reform and Opening Up, Build Elfland's Hill on the Sea"

Article by Dong Chunsheng: "Beijing's Tourism Industry Scores Splendid Achievements in the Course of Reform and Opening Up"

Article by Li Chenggong: "High Technology and New Materials—Important Material Mainstay of Modern Civilization"

Article by Shen Peng: "Exploring 'Poetic Quality'—Pursuit of Calligraphic Essence"

**Science & Technology**

**Official Discusses Nuclear Power Industry Growth**

OW1511131194 Beijing XINHUA Domestic Service in Chinese 0639 GMT 4 Nov 94

[By reporter Xu Jinglong (6079 0079 7893)]

[FBIS Translated Text] Hangzhou, 4 Nov (XINHUA)—Under the "appropriate development and safety first"



guiding principle, China's nuclear power station construction has started from scratch and achieved breakthrough progress over the past decade.

Chen Zengqing, director of the Nuclear Power Office under the State Planning Commission, who is in Hangzhou attending the second national symposium on coping with emergency nuclear incidents, said that the history of China having no nuclear power ended with the pouring of the first drop of cement into the main structure of the 300,000-kw pressurized water reactor of the Qinshan nuclear power station in Zhejiang—the first demonstration nuclear power station for industrial purposes designed and built by China—in March 1985, and with the successful trial power transmission in December 1991. This power station began formal commercial operation this April. This power station was shut down last month as planned for material replacement and major repair. The Number One and Number Two generating sets of the large Guangdong Daya Bay nuclear power station, a power station that was built with foreign loans, also entered commercial operation this February and May, respectively.

He said that, due to the fact that these two power stations were newly built, there had been several cases of shutdowns. However, he said, the operations of those two power stations have been quite good as a whole. The two nuclear power stations' load-factors were better than expected. They all overfulfilled state's plan in terms of power generation. The two power stations' standards for the discharge of waste gas, waste water, and industrial residue are lower than those set by the state. There was little difference between the monitoring stations' observed data and the original base number. This, he said, has boosted the people's confidence in developing nuclear power.

According to him, China is further promoting an appropriate development of nuclear power. Recently, the state basically agreed to the startup of the second-stage 2 x 600,000 kw project of the Qinshan nuclear power plant. The state has also set aside 330 million yuan for investment this year. It is expected that the first generating set will begin transmitting power in the beginning of next century. China's Guangdong Nuclear Power Group has also been established. This group, formed and financed by the China Nuclear Energy Industry Corporation, Guangdong Province, and the Ministry of Power Industry, will, based on the Daya Bay power station's first stage project, engage in the nonstop and accelerated development of nuclear power. In addition, other provinces including Liaoning, Zhejiang, Jiangsu, Shandong, Fujian, Hunan, and Jiangxi are all enthusiastically making plans to develop the nuclear power industry.

### **Economic & Agricultural**

#### **Chen Qingtai Discusses Enterprises' Property Control**

OW1511131094 Beijing XINHUA Domestic Service in Chinese 0933 GMT 4 Nov 94

[By reporter Li Anding (2621 1344 1353)]

[FBIS Translated Text] At a national work conference on experimenting with the modern enterprise system, Vice Minister Chen Qingtai of the State Economic and Trade Commission urged the earnest implementation of the "Regulations Governing the Supervision and Management of State-Owned Enterprises' Property" (hereafter the "Regulations Governing the Supervision and Management") and truly stepping up the supervision and management of state-owned enterprises' property.

Chen Qingtai pointed out: It is a brand new task to implement the "Regulations Governing the Supervision and Management" to strengthen the supervision and management of state-owned enterprises' property. Currently, we should first conduct in-depth study and publicity, acquire a profound understanding of their essence, and resolve some ideological perception problems cropping up in implementation in a timely fashion. He said: The "Regulations Governing the Supervision and Management" further perfect and develop the "Regulations on Transforming the Management Mechanisms of State-Owned Industrial Enterprises." The supervisory organs' major function is to supervise the preservation and appreciation of state assets' value. Dispatching boards of supervisors to the enterprises according to needs is an important way of supervising state assets. We should popularize an asset management responsibility system in enterprises and establish favorable and restraint mechanisms aimed at preserving and increasing the value of state assets.

Chen Qingtai emphasized: Implementing the "Regulations Governing the Supervision and Management" is a task involving many policies. We should carry it out in a planned and systematic way. We plan to carry it out in three phases in about two years. The second half of this year is a preparatory phase for implementation; the first half of 1995, a phase of setting an example and summarizing experiences; and July 1995-June 1996, a phase of step by step implementation. Currently, we should strengthen leadership over the implementation of the "Regulations Governing the Supervision and Management"; earnestly organize training classes; affirm the list of supervisory organs authorized by the State Council and enterprises under supervision, do a good job in dispatching boards of supervisors in batches in different phases to the 1,000 or so large and medium-sized key state-owned enterprises which are of vital importance to the nation's economy and the people's livelihood; formulate supporting rules and regulations for implementing the "Regulations Governing the Supervision and Management," and coordinate well the implementation of the asset management responsibility system in state-owned enterprises.

#### **Government Debates Plan To Transform State Firms**

HK1611052194 Hong Kong SOUTH CHINA MORNING POST in English 16 Nov 94 p 11

[By Willy Wo-lap Lam]

[FBIS Transcribed Text] The Chinese leadership is debating a radical reform initiative that will turn all state-owned companies in urban areas into "Western-style" shareholding companies in three years or more. It is understood the experiment, already in place in the Shenzhen Special Economic Zone (SEZ), will be tried out in the coastal cities first.

Industrial sources in Shanghai said the metropolis had mapped out plans for converting government-owned companies into share-holding units with limited liabilities by the end of 1997. However, fierce debates have broken out within the leadership over how the reforms would be attained.

While there is a consensus that only a small minority of the transformed state firms should be floated on the stock exchange, disagreements have occurred over the percentage of shares the state should acquire. Beijing and Shanghai economists said conservative leaders had insisted that the state hold about half of the shares. More liberal cadres and advisers, however, had suggested the Government need control only 20-odd per cent of a typical company, with other shares to be held by companies where the "public sector" has a majority interest.

More problematic is the role to be played by party organisations in the new-look state enterprises. The recent Fourth Plenum of the Party Central Committee stressed that party cells be "resuscitated" and that they should play leading roles in factories.

Sources close to the State Commission for the Reform of the Economic Structure which is co-ordinating the experiments, said one solution proposed was to follow the Shenzhen model. In the SEZ, leading functionaries in the party cells of state enterprises have been absorbed into the newly created Supervision Committees of the shareholding companies. Such committees oversee the boards of directors, which have displaced party cells as the highest authority in enterprises. The sources said, however, that this plan had encountered opposition from ideologues as well as party specialists who feared a dilution of authority.

Another bone of contention is the status of the official trade unions and their offshoots, the congresses of worker representatives (CWR). Under the existing system, CWRs in state factories, particularly the larger ones, have a say in worker welfare and production targets. In shareholding companies, however, there is not much room for trade unionists or labour representatives wielding real power. One solution proposed by experts in Shenzhen is to encourage workers to buy shares.

#### **National Economic Work Meeting To Focus on Inflation**

HK1611052094 Hong Kong SOUTH CHINA  
MORNING POST in English 16 Nov 94 p 10

[By Xiao Yu]

[FBIS Transcribed Text] Inflation will be high on the agenda of the upcoming National Work Meeting on the Economy to be held later this month in Beijing. Sources have indicated that way to depress inflation, based on a 10-point anti-inflation package put forward by premier Li Peng in September, will be discussed at the conclave.

In a telephone conference in early September, Mr Li called for imposing a cap on investment in infrastructure projects, an increase in market supply, strengthening the price-monitor mechanism and restraining public consumption. The premier also called for new legislation on price regulation and encouraged the media to play a role in monitoring market changes. The authorities have since admitted these measures have not been effective, saying some local governments have not fully implemented Mr Li's policies.

The Government's adjustment of grain procurement prices is also behind the soaring prices. The rapid growth of the economy in the past decade and economic imbalances between regions are other factors that have led to high inflation.

Prices have continued to soar since the introduction of the measures suggested by the premier, and this has led to new problems. In Beijing, some retailers refused to carry unprofitable merchandise after price ceilings were re-imposed on certain products. Many Beijing residents have been inconvenienced by the shopkeepers' boycotts.

In some northern provinces, individual local governments have issued grain coupons to residents. The move comes despite the fact that coupons were abolished when the Government lifted price controls a few years ago.

Officials in these regions have admitted in private they are reluctant to adopt such measures. Economists believe the Government is considering both administrative and economic measures in the hope they will soon end the country's inflation problems.

The national work meeting is likely to endorse the 10-point measures suggested by Mr Li and suggest special emphasis is placed on controlling capital spending and the growth of public consumption.

The senior echelons of the Communist Party are alarmed by runaway prices. Some top leaders have privately visited the markets to collect first-hand information on market changes. According to official figures, China's retail price index jumped 24 per cent in September over last year's and still showed no sign of levelling out. Based on the September figures, experts believe the average price index for the year will reach 20.7 per cent—making 1994 the year with the highest inflation since 1978. Beijing had set the 1994 inflation target at below 10 per cent.



**Customs Seize Goods Violating Trademark Laws**

HK1611111894 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 11 Nov 94 p 3

[By Ji Xiaolei (1323 2556 4320): "Chinese Customs Seize Goods Manufactured in Violation of Intellectual Property Rights"]

[FBIS Translated Text] Beijing, 9 November (RENMIN RIBAO)—Since the Chinese Customs began to implement protection measures on the import and export of goods with entitlement to intellectual property rights on 15 September, all customs houses in China have stepped up efforts to inspect and seize imported and exported goods which are in violation of intellectual property rights and have made good advances in this regard. The Chinese General Administration of Customs announced three cases of importing and exporting goods in violation of intellectual property rights to the press in Beijing today.

In the first ten days of October, Jiulong Customs discovered that a company in Shenzhen had exported a batch of "Shankala [1472 0595 2139]" brand stomach pills by going through ordinary trade declaration procedures. In fact, the pills were manufactured in Huizhou's Luofushan, Guangdong Province, and thus they were suspected of falsely using the trademark of a Hong Kong company. The owner of the goods was asked to make an additional declaration report on the intellectual property rights of his goods. As he was unable to produce a legal certificate for the trademark, Jiulong Customs returned shipment of the goods according to state stipulations.

On 1 November, Jiulong Customs seized 3,250 pirated laser discs in five cases, which were being carried by a driver from a company outside the border. In an earlier targeted search operation, 4,750 CDs in six cases were discovered, which had been for export through speedy delivery channels with the false name of "data handbooks." All the smuggled goods in violation of intellectual property rights involved in the two cases mentioned above have been confiscated and fined [as published] by the Jiulong Customs according to state stipulations.

A few days ago, Qingdao Customs cracked a trademark rights violation case in the port of Shandong for the first time. Following a tip, customs detained according to the law two containers of goods in violation of intellectual property rights, which were to have been exported by an import-export company from Anhui.

An official from the General Administration of customs said: China is now speeding up the pace of forming legislation on the protection of imports and exports of intellectual property rights. Before the official laws and regulations are promulgated, customs will still implement intellectual property rights protection measures and prohibit the import and export of goods in violation of intellectual property rights. This shows that China's customs management is further converging with international practice.

It has been reported that the General Administration of Customs and the World Customs Organization jointly held a seminar on border protection of intellectual property rights a few days ago to study and use as reference the experiences of customs throughout the world in protecting the import and export of intellectual property rights.

**Scale Management of Foreign Trade Starts**

OW1611004794 Beijing XINHUA in English 1353 GMT 15 Nov 94

[FBIS Transcribed Text] Shanghai, November 15 (XINHUA)—The emergence of Oriental International Group as China's first foreign trade conglomerate indicates that China's foreign trade reform has entered a new stage of development characterized by scale management, authoritative sources said here today at a news briefing on the upcoming foreign trade giant.

They said that China will set up some 20 to 30 such enterprises step by step.

The Oriental Group was jointly set up by five of the city's companies that trade in silk, garments, textiles and knitwear, and that posted 1.5 billion U.S. dollars in foreign trade last year.

With a combined registered capital of more than one billion yuan (115 million U.S. dollars), the five companies handle more than 5,000 products and have 95 patents registered abroad.

The companies control some 200 domestic joint ventures and have 55 branches and offices overseas.

Industry sources said that the group, established in line with the modern enterprise system and expected to be powerful enough to compete in the international market, will be a comprehensive economic entity engaging in foreign trade, finance and industries.

China's imports and exports were monopolized by state-designated foreign trade companies until the late 1970's, when the country launched its economic reforms and opening-up policy.

During the past two or more decades, a large number of enterprises were given permission to do business in foreign trade. To date China has more than 100,000 enterprises engaging in foreign trade, including more than 7,000 enterprises and 90,000-strong overseas-funded joint ventures in operation.

Most of the enterprises are small, experts said.

They held that this is of great importance to China's foreign trade, as it can help avoid intense competition such as dumping and price-cutting among small foreign trade enterprises.

This is also helpful to efforts to develop new high-quality and high value-added products and to improve the country's export product mix, they said.



Overall, such management in foreign trade will accelerate the development of China's foreign trade, the experts agreed.

China has vowed to raise its export volume to 400 billion U.S. dollars by the year 2000, up from the expected 200 billion U.S. dollars this year.

Such experimentation in foreign trade has been tried simultaneously in Shanghai and Beijing.

#### **New Regulations To Govern Foreign-Funded Firms**

*HK1611022594 Beijing ZHONGGUO XINWEN SHE in English 1152 GMT 15 Nov 94*

[FBIS Transcribed Text] Beijing, November 15 (CNS)—The Ministry of Labour and the Ministry of Foreign Trade and Economic Cooperation jointly promulgated labour regulations for foreign-funded enterprises in the framework of labour law.

Being consistent with the labour law, the regulations also cover special rules for foreign-funded enterprises including the submission of application by foreign-funded enterprises for approval when they hire overseas employees. The regulations state that foreign-funded enterprises should recruit Chinese citizens within the territory. Should recruitment have to be made overseas for foreign employees or those from Taiwan, Hong Kong and Macao, the foreign-funded enterprises would have to follow the state regulations and approval from local administrative department for labour affairs as well as procedure for an employment permit would be necessary. The regulations also stipulate that foreign-funded enterprises are not allowed to employ persons who still bear employment relations with their original employer.

The labour contract stated in the regulations includes quite a lot of provisions to safeguard interests of Chinese workers. Employers are not allowed to fire their workers who are either suffering from industrial injuries which have made them lost entire or part of work capacity or those under medical treatment for their vocational diseases. The contract article also protects woman employees from dismissal who are either in the state of pregnancy, in labour or during the nursing period.

The regulations clearly state social insurance and welfare. According to the regulations foreign-funded enterprises have to be involved in social insurance covering pension, unemployment, industrial injuries, medical treatment and welfare regarding child-bearing in line with the state stipulations. Foreign-funded enterprises are obliged to pay on time full premium for social insurance in accordance with rules set by local governments. They should keep record for employees including information on seniority, payroll list as well as on premium paid for social insurance for pension, unemployment, industrial injuries and medical treatment. Foreign-funded enterprises are also obliged to hand in

fund for its employees' housing foundation according to local government's ordinance.

According to the regulations, employees working for foreign-funded enterprises enjoy national holidays for special festivals, public holidays, leaves for home visit, wedding or funeral and maternity leave for woman workers.

The regulations clearly set standard for severance pay given to workers who were relieved of their contract by foreign-funded enterprises. They also cover stipulations regarding payment of wage and overtime work.

#### **Statistics Show Rise in Urban Unemployment**

*OW1611121194 Beijing XINHUA in English 0929 GMT 16 Nov 94*

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—China witnessed a steady rise in urban employment in the first three quarters of this year, but the unemployment rate is still up slightly, official sources said today.

By the end of September, the number of employed in urban areas was 148.08 million, 710,000 more than a year ago, the State Statistics Bureau said today.

The bureau estimated that the number of employed people nationwide was 653.5 million, an increase of over eight million.

Urban unemployment went up in the meantime, with the jobless rate reaching 2.7 percent from 2.6 percent by the end of last year.

Some 4.36 million urban people were out of work, up 160,000 from the figure at the year's beginning, the bureau said.

Statisticians forecast a three percent unemployment rate in urban areas by the end of this year, with a total of five million unemployed.

Meanwhile, statisticians said that the total sum of wage payment was expanding at an unusually fast pace, which should be brought under control.

In the first three quarters of this year, the total expenditure on wages in urban areas jumped by 31.7 percent to 41.52 billion yuan, the biggest rise in 15 years.

Economists warned that such an increase should be checked, or it would cause more difficulty in the state's effort to bring down inflation.

#### **Consumer Price Index Hits 27% in Oct**

*HK1611113094 Beijing CEI Database in English 16 Nov 94*

[FBIS Transcribed Text] Beijing (CEIS)—China's price hikes were curbed to some extent in October, but the inflation rate remained at a high level, according to authoritative sources. On a month-on-month basis, the

consumer price index and retail price index monitored on the country's 35 large and medium-sized cities rose one percent and 0.9 percent respectively in October. The rates were down 2.6 and 1.4 percentage points respectively compared with the month-on-month figures for September, sources said.

However, sources noted, the price level remained high in October, due to the effect of sharp price rises in the previous months.

On a year-on-year basis, the consumer price index rose 27 percent in October and that of retail price advanced 22.4 percent. The figures compared with 24.8 percent and 20.7 percent year-on-year, respectively, for the January-October period.

Geographically, the cities in central and western China recorded faster price rises than those in the east. On a year-on-year basis, the inflation rates in Hohhot, Nanchang, Zhengzhou, Nanning, Chongqing, Chengdu, Xian, Yinchuan and Urumqi all exceeded 30 percent, with that in Chongqing hitting the highest of 38.2 percent. The rates in such cities as Xiamen, Guangzhou, Shenzhen and Kunming, meanwhile, were lower than 20 percent.

Sources said that in October the price level of food rose steadily, that of clothing remained firm, that of services rose at a slower pace, that of vehicles, telecommunications equipment and housing remained stable, and that of some home equipment and articles dropped.

#### **New Oil, Gas Pools Found in Beibu Gulf**

*OW1611004694 Beijing XINHUA in English 1608  
GMT 15 Nov 94*

[FBIS Transcribed Text] Beijing, November 15 (XINHUA)—China has discovered another high-yield oil and natural gas pool in the Beibu Gulf in the South China Sea.

According to the China National Offshore Oil Corporation today, the well, code-named Weizhou 12-1-2, 35 kilometers southwest of Weizhou Island, produced 1,221 cubic meters of crude and more than 100,000 cubic meters of natural gas after logging.

The appraisal well was sunk by the China Offshore Oil Nanhai West Corporation in the Weizhou 12-1 oil-bearing structure, abandoned by the U.S. Sun Oriental Exploration Company in 1990 for failing to uncover commercial oil and gas.

The decision to drill the appraisal well was made after a comprehensive review and interpretation of relevant data and because of the encouraging oil and gas demonstrations in nearby blocks.

Experts believe that in the light of its daily oil and gas output, this well could lead to the discovery of an equivalent amount of about 10 million tons of oil in place.

Taking into consideration its 3.5 million tons of recoverable reserves, Weizhou 12-1-2 is valuable for commercial production, they added.

There are three oil fields in operation under the China Offshore Oil Nanhai West Corporation, which produced a total of some 940,000 tons of crude in the past ten months.

#### **Offshore Oil Output To Reach 6.4 Million Tons**

*OW1611010894 Beijing XINHUA in English 1322  
GMT 15 Nov 94*

[FBIS Transcribed Text] Beijing, November 15 (XINHUA)—China's offshore oil production is expected to hit 6.4 million tons, up nearly 40 percent from last year, according to the latest estimates by experts.

The estimates were based on present offshore crude production. The China National Offshore Oil Corporation (CNOOC) has posted a record high of 5.3 million tons of crude output over the past ten months.

An official with CNOOC said today that this meant that his company's fulfillment of the state target for the whole year is two months ahead of schedule.

"The situation of offshore crude production has gone so well," he said, "that output has increased by more than one million tons every year for the past three years."

At present, CNOOC has 12 oil fields in operation altogether, either in the Bohai Sea or in the South China Sea. Another field, Xijiang 24-3, is in the eastern part of the South China Sea.

Four more offshore oil fields are going to begin production next year, according to experts, who predicted an even greater increase in crude output up to 1997, a peak year they have been looking forward to.

Next year will see a new wave of cooperative prospecting for offshore China. A total of 27 exploratory wells are to be sunk in order to prove the existence of 150 billion cubic meters of natural gas and 70 million tons of oil, experts added.

#### **Largest Fluorine-Chemical Plant Starts Operation**

*OW1611010594 Beijing XINHUA in English 1512  
GMT 15 Nov 94*

[FBIS Transcribed Text] Hangzhou, November 15 (XINHUA)—China's largest fluorine-processing plant has officially gone into operation in east China's Zhejiang province.

The fluorine-chemical plant of the Quzhou Chemical Group, one of last year's ten largest chemical enterprises, began trial production last October.

Latest figures show that all of the plant's fluorine-based chemical products are up to national standards.

Part of the output is exported abroad, ending China's long history as a net importer of such products.

Construction of the plant, a provincial key project sanctioned by the state planning commission, cost more than 500 million yuan (57.4 million U.S. dollars).

The plant, using locally-available fluorite as a source and equipped with imported devices, produces a number of domestically badly-need products, such as refrigerant.

It expects to produce more than 50,000 tons of fluorine-related chemicals this year.

#### **Aquatic Product Prices 'Stable' Over Past 9 Months**

*OW1511130194 Beijing XINHUA in English 0949  
GMT 15 Nov 94*

[FBIS Transcribed Text] Beijing, November 15 (XINHUA)—The prices of freshwater and sea-water products in the first nine months of this year maintained roughly the same levels of last year.

According to the Ministry of Agriculture, prices for ordinary species of freshwater products were stable or even a little lower than a year ago in some places.

Market information from Beijing, Tianjin and Shanghai, China's three largest cities, indicates that the retail prices of freshwater fish have risen by a mere 10 percent over last year.

A sample survey in September found that the prices of aquatic products that month were lower than in the same period of the previous year in Dalian, in northeast China, and in Kunming and Guiyang, in southwest China.

Officials said that the nationwide growth rate of aquatic products prices was much lower than the average increment of foodstuffs.

Thanks partially to the stable prices, the sales of aquatic products have expanded greatly so far this year.

Statistics from the State Administration for Industry and Commerce show that the sales of aquatic products increased by 9.6 percent in the first half of this year from the same 1993 period.

Economists attributed the long-term stable prices to the increase in total output and to the establishment of an overall aquatic products marketing system since 1985.

China's output of aquatic products reached 18.26 million tons last year, about 17 times the amount in 1985. And the annual per capita consumption of such products rose from a mere five kg in the 1980's to 17 kg last year, which is very close to the world average of 18 kg.

#### **Land Bureau Sets Lease Period, Stipulations**

*HK1611020994 Beijing ZHONGGUO XINWEN SHE  
in English 1324 GMT 15 Nov 94*

[FBIS Transcribed Text] Beijing, November 15 (CNS)—New stipulation on lease tenure of land has recently been

introduced by the Land Administrative Bureau of China. Its main content is that a tenure of 40 years will be given for commercial, tourist and entertaining land uses, 50 years for educational, technological, cultural, sports, sanitary, industrial, comprehensive and other land uses, while 70 years for residential purpose.

This stipulation has raised requirements on the orientation of foreign property investment. It says any change of land use or speculation by re-selling is not allowed. The projects for investment should reach international advanced standard. Items being eliminated at the international market are not allowed to be carried out in China.

#### **Rural Economic Observation Centers 'Successful'**

*OW1611045594 Beijing XINHUA in English 0359  
GMT 16 Nov 94*

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—The rural observation centers set up ten years ago have proved successful in obtaining various kinds of data on rural social and economic development.

With the approval of the Central Committee of the Communist Party of China (CPC), more than 300 observation centers were established in selected villages in October 1984.

Over the past decade great achievements have been scored by the centers in collecting objective data and materials on over 20,000 rural households and nearly 1,000 township enterprises, according to today's "ECONOMIC DAILY".

The centers have provided more than 80 million items of information and reports totalling over 20 million words to the relevant government departments. These materials have played an important role in helping policy-making and research on rural work in China.

Based on the centers' work, a national rural data management system storing 70 million items of data has been set up.

At a national work meeting on the centers which opened yesterday Chinese State Councillor Chen Junsheng spoke highly of the contribution of the centers to China's rural work.

He stressed the importance of investigations which serve the reform.

The meeting is sponsored by the CPC Central Committee's Policy Research Office and the Ministry of Agriculture, and presided over by Agricultural Minister Liu Jiang.



**East Region****Anhui High-Tech Farming Research Facility Opens**

*OW1411095094 Beijing XINHUA in English 0915 GMT 14 Nov 94*

[FBIS Transcribed Text] Hefei, November 14 (XINHUA)—A high-technology agriculture park featuring high-tech farming technology research, development and popularization has opened in this capital of east China's Anhui Province.

The park, the first of its kind in China, is located in the city's high technology development zone.

Preferential policies will be offered to firms wishing to set up factories in the park, said Tang Baochang, director of the management committee of the zone.

Departments of Anhui Agricultural University and the Chinese University of Science and Technology, and the Hefei branch of the Chinese Academy of Sciences, among other scientific institutions, have already set up branches in the park.

The zone is one of the nation's leading high-tech development zones. More than 250 ventures, involving a total investment of 2.5 billion yuan, have been set up in the zone.

**Anhui 'Concentrating' on Environmental Protection**

*OW151111494 Beijing XINHUA in English 1032 GMT 15 Nov 94*

[FBIS Transcribed Text] Hefei, November 15 (XINHUA)—East China's Anhui Province is concentrating on environmental protection as it pursues rapid economic development.

By the end of June this year the province had set up 216 environmental protection institutions employing 2,193 people, 1,371 of whom are scientists.

The province spends 300 million yuan to 500 million yuan on controlling industrial pollution annually. It has set up 1,312 waste-water treatment projects so far.

At present, the province is able to treat 67.2 percent of its industrial waste water, 80.3 percent of its industrial gas and 49.8 percent of its solid waste.

In addition, Anhui has set up 55 ecological villages, and ten state and provincial nature reserves.

It has worked out a package of regulations and rules to punish anyone who causes serious pollution and reward those who contribute to environmental protection.

**Jiangxi Meeting on Party Organizations Ends**

*HK1611113294 Nanchang Jiangxi People's Radio Network in Mandarin 1100 GMT 11 Nov 94*

[FBIS Translated Text] The two-day provincial meeting on rural grassroots party organizations ended in Nanchang today. The main task of the meeting was to study

and implement the decision of the Fourth Plenary Session of the 14th party National Congress, convey and implement the spirit of the national conference on rural grassroots party organizations, sum up and exchange the province's experience in rural grassroots party organization building, and make specific arrangements for how to further strengthen the building of rural grassroots party organizations in the new situation.

Provincial Party Secretary Mao Zhiyang and Governor Wu Guanzheng presided over yesterday's and today's meetings separately. Mao Zhiyang addressed the meeting. Zhang Fengyu and Shu Huiguo [Standing Committee members of the provincial party committee] conveyed the spirit of the national conference on rural grassroots party organizations respectively. Leading cadres such as Zhu Zhihong, Lu Xiuzhen [provincial party deputy secretaries], Ma Shichang, Shu Shengyou, Huang Zhiqian, Peng Kunsheng, Zhong Qihuang, (Feng Junmao), and Zheng Liangyu, and city party secretaries, comrades in charge of this work, and principal leaders of relevant departments directly under the jurisdiction of the provincial government attended the meeting.

In his speech, Mao Zhiyang pointed out: In the last few years, the province's overall situation is relatively good. One important reason behind it is that the agricultural and rural situations are relatively good, which have played a basic role in promoting reform, development, and stability. This year is a year with a bumper harvest. Agriculture, forestry, animal husbandry, sideline production, fishery, and township and town enterprises have developed in a comprehensive way. The good rural situation is inseparable from the work of grassroots party organizations. The current rural grassroots party organizations are good and relatively good.

However, we should also soberly notice that in rural grassroots party organizations there are still some problems that should not be neglected. In terms of the current situation, most village party branches are still in the intermediate state and less advanced village party branches still constitute a certain proportion. The phenomenon of no one attending to party affairs and of having no money to attend party affairs can be found in these villages in varying degrees. Mao Zheyong said: The national conference on rural grassroots party organization building clearly defined the goal, tasks, guidelines, principles, and main measures of rural grassroots party organization building. Especially, it set the five-good goals of endeavor, that is, a good leading body, a good secretary, a good contingent, a path to accelerated economic development, and a good operational mechanism and a set of good management systems. This is the party's basic requirement for the building of rural grassroots party organizations, which we should implement in a comprehensive way. We should proceed from the realities in Jiangxi, pay close attention to the building of village-level leading bodies so as to ensure that there are people to attend to party affairs and there is money with which to attend to party affairs. To realize the goal of

rural grassroots party organization building, we should persist in giving specified guidance, firmly grasp the focus of work, and put in a lot of work to concentrate on accomplishing the three three-year tasks.

1. We should spend three years in rectifying less advanced village party branches, roughly changing the state of flabbiness, weakness, and paralysis in some village party branches, and in promoting the village party branches which are in the intermediate state to make marked progress while consolidating and improving the advanced village party branches.

2. We should spend three years in organizing, in a planned way and step by step, all party members to study the theory of building socialism with Chinese characteristics and the party Constitution and helping them improve their quality and enhance their party spirit.

3. We should spend three years in helping every village have a net annual income of more than 20,000 yuan from its collective economy by expanding the village-level collective economy. Those villages which have attained that goal should further improve themselves.

Mao Zhiyong said: To sum up the work in the last few years, do an even better job of building our province's rural grassroots party organizations, and achieve the already set goal of endeavor, we should be clear about our own responsibility, adopt more effective measures, strengthen leadership, and intensify our work.

1. Party committees at all levels should effectively assume responsibility for the building of rural grassroots party organizations. The party should attend to party affairs. This is the primary responsibility of the party committees at all levels, party committee secretaries in particular. If a party committee secretary does not attend to party affairs and building the party, this means he is being derelict in his duty and unfit for his position.

2. We should organize 10,000 cadres to go in turn to villages to help do the work of building grassroots party organizations for three consecutive years with every cadre staying there for one year.

3. The province should raise 100 million yuan every year to help less advanced villages develop the economy. Beginning next year, the province should raise 100 million yuan a year for three consecutive years and use the money with compensation to help less advanced villages develop the collective economy.

Mao Zhiyong stressed: To strengthen the building of rural grassroots party organizations, we should always persist in taking economic construction as the center and achievement of a well-to-do standard of living and construction of a new countryside as the goal, combine the building of rural grassroots party organizations and the promotion of reform, development, and stability of the rural areas so that the two will promote each other, closely combine the three tasks of building rural grassroots party organizations and the deepening of rural

reform, closely combine the strengthening of the building of rural grassroots party organizations and the promotion of rural development, and closely combine the three tasks of building grassroots party organizations and the maintaining of rural stability.

In conclusion, Mao Zhiyong urged the whole province to do painstaking and hard work, carry out the various measures and requirements of the three tasks of building rural grassroots party organizations in a down-to-earth manner, and upgrade the building of rural grassroots party organizations and upgrade rural work as a whole and elevate it to a new level.

### Shandong Holds Cotton Procurement Conference

SK1411022094 Jinan Shandong People's Radio  
Network in Mandarin 2300 GMT 11 Nov 94

[FBIS Translated Text] On 11 November, the provincial government held a cotton procurement telephone conference to mobilize the whole province to fulfill the annual cotton procurement task in one vigorous effort.

It is reported that as of 10 November, the province procured 5,863,000 dan of cotton, fulfilling the annual cotton procurement plan by 46.94 percent. The amount of cotton procured has ranked the province third in the whole country. Of this, the amount of cotton procured in Jining, Dezhou, Taian, Liaocheng, and Qingdao were higher than the province's average level. However, the cities and prefectures close to Zibo only fulfilled less than 20 percent of their planned cotton procurement targets.

Wang Jiangong, vice governor of the provincial government, pointed out at the conference: The next-step cotton procurement task is still extremely arduous. Some individual localities are in the state of laxness. Problems, such as cotton quality, prominently exist. We must pay high attention to this.

Wang Jiangong stressed: We should start again an upsurge of cotton procurement and unswervingly fulfill the cotton procurement task. Another 3 million dan of cotton should be procured in November. To fulfill this task, all cities and prefectures should ensure that their procurement volume should not be lower than 70 percent of the annual procurement plans. We should constantly grasp the management of cotton markets and prevent all non-state-designated units from illegal procurement and management of cotton. The tendency of some localities individual peddlers to purchase and resell cotton at profit should strictly and rapidly be investigated and handled on a case-by-case basis. We should maintain a good external environment for cotton procurement work, pay high attention to the quality of cotton to be procured, and purchase cotton strictly according to the state quality standards.



**Shandong Promotes Tourism With Activities***OW1411102894 Beijing XINHUA in English 1015  
GMT 14 Nov 94*

[FBIS Transcribed Text] Jinan, November 14 (XINHUA)—East China's Shandong Province is promoting special tourism activities to attract more tourists from both at home and abroad.

The province is where the hometown of Confucius, Qufu city, is situated. Qufu has held annual international Confucian cultural festivals since 1989. Each festival attracts more than 100,000 visitors.

Weifang city, known for its manufacture of kites, also holds annual international kite festivals, and Zibo city has built the first ancient cart museum to attract tourists.

A survey shows that Shandong has a dozen cultural festivals sponsored by local governments and non-governmental organizations.

In addition, the province has sent delegations abroad to publicize its cultural and economic activities while inviting media people from other parts of the country and overseas.

As a result, Shandong received 188,000 tourists from overseas in the first eight months of this year, an increase of 17 percent over the same period of last year.

**Shanghai's Development Plan Discussed***OW1611073994 Beijing XINHUA in English 0659  
GMT 16 Nov 94*

[FBIS Transcribed Text] Shanghai, November 16 (XINHUA)—Both Chinese and foreign experts attending an international seminar here expressed confidence in Shanghai's development blueprint.

The international seminar mainly discussed Shanghai's plan to develop itself into an international economic, banking and trade center in the coming century.

According to the experts, Shanghai, which is developing itself into one of the world's economic centers, must have its feet firmly planted domestically while it scans the world for opportunities.

The experts suggested that Shanghai should follow international conventions while improving laws and regulations to pave the way for more foreign investment, lose no time in training and employing people of ability, make full use of its industrial foundation and rely on the economic strength of the Chang Jiang River Delta and Valley to boost its economy.

The city is encouraged to further improve its infrastructure facilities, improve its circulation channels and make full use of its advantages in science and technology to establish a new technical setup.

**Shanghai 'Re-Employment Scheme' To Curb Unemployment***HK1411153994 Beijing ZHONGGUO XINWEN SHE  
in English 1239 GMT 14 Nov 94*

[FBIS Transcribed Text] Shanghai, November 14 (CNS)—Shanghai municipality began to carry out on full scale a re-employment scheme in order to deal with unemployment problem.

Unemployment rose to a certain extent early this year mainly because a structural adjustment was carried out in some enterprises which reduced their workforce. The labour department launched a re-employment project last May on a trial basis. About 18 districts have singled out a total of 567 unemployed persons for this scheme. About 258 out of them had their employment settled in the first half of this year and it is expected that the unemployment problem would be fully settled by the end of this year. Each district and county also adopted their own measures to deal with the unemployment problem while the municipal government mobilized various trades to offer places for the unemployed. The housing administrative department absorbed some 100 unemployed persons for operation of elevators in newly completed buildings. The traffic police section accepted over 100 persons and assigned them duty to help keep traffic order. Quite many factories and shops gave warm response by helping settle the unemployment matter while a lot of labour service enterprises were also set up. Following great efforts in past six months most of the unemployed was basically settled.

The labour department is now speeding up formation of an information network on supply and demand for labour force while at the same time the re-employment project is carried out on a full scale and is made a long term work by the municipal government. Efforts have to be made in a bid to absorb the unemployed who was made redundant mainly from adjustment of enterprises. The municipal government encourages enterprises to develop tertiary industry and accept the unemployed while at the same time encouraged the unemployed persons to look for a job on their own.

**Li Zemin Delivers Report to Zhejiang CPC Plenum***OW1511130994 Hangzhou Zhejiang People's Radio  
Network in Mandarin 1000 GMT 8 Nov 94*

[From the "Provincial News Hookup" program]

[FBIS Translated Text] The Third Enlarged Plenary Session of the Ninth Zhejiang Provincial CPC Committee was held in Hangzhou yesterday. Among the items high on its agenda were conscientiously studying the guidelines of the Fourth Plenary Session of the 14th CPC Central Committee, analyzing the new situation and problems in party building in Zhejiang, reaching a common understanding, laying down clearly defined



tasks, studying and formulating suggestions for implementing the guidelines, and making practical efforts in promoting party building to advance reform, opening up, and the socialist modernization drive in our province.

Wan Xueyuan, deputy secretary of the provincial CPC Committee and governor, presided over the meeting. Liu Feng, Chai Songyue, Lu Zhangong, Wang Qichao, Li Jinming, Liang Pingbo, Si Daxiao, Xu Yunhong, Zhang Youyu, and others were present.

Li Zemin, secretary of the provincial party committee, delivered a report on behalf of the Standing Committee of the provincial party committee. He said: The Fourth Plenary Session of the 14th CPC Central Committee—convened as it was at a crucial time of China's reform, opening up, and socialist modernization when the party is faced with new challenges and opportunities—is an important meeting of overall and far-reaching significance. The "Decision of the CPC Central Committee Concerning Some Major Issues on Strengthening Party Building," which was formulated by pooling the wisdom of the whole party, serves as a programmatic document for strengthening and improving party building in the new period. It will exert a far-reaching impact on achieving a common understanding within the party, promoting party building, consolidating the CPC as a ruling party, improving the party's leadership art, ensuring that the party's basic policy and line will be adhered to without wavering for a hundred years to come, and keeping the long-term governing and stability of the party and state.

After the Fourth Plenary Session of the 14th CPC Central Committee, the provincial party committee immediately organized efforts to study the decision and drew up plans for studying and implementing it by party organizations at all levels across the province. The localities have, generally speaking, been earnest and successful in their studies. After conducting research and investigation, the Standing Committee of the provincial party committee has organized discussions on special topics, made earnest efforts in studying and implementing the Fourth Plenary Session's decision, and formulated suggestions and measures for improving party building in Zhejiang.

Comrade Li Zemin's report was divided into four parts: 1) Fully affirm the achievements and active exploration Zhejiang has made in party building; 2) have a clear-headed awareness of the opportunities and challenges concerning party building under the new situation; 3) continue to keep tabs on implementation of the three major tasks concerning the party's organizational building; and 4) implement effective implementation measures to promote party building and work in all areas.

Present at the enlarged plenary session were 47 members and four alternate members of the provincial party

committee; members of the provincial Discipline Inspection Commission; vice chairmen of the provincial People's Congress Standing Committee, vice governors, and vice chairmen of the provincial committee of the Chinese People's Political Consultative Conference [CPPCC] who are CPC members; commander, deputy commanders, and deputy political commissars of the provincial military district; secretaries of the city and prefectural CPC committees; deputy secretaries of the city and prefectural CPC committees with responsibility for relations between the party and the masses; secretaries of the party committees of the provincial departments, [words indistinct], enterprises and establishments, and institutes of higher learning. Also present at the meeting to hear the report were secretaries general of the city and prefectural CPC committees, veteran cadres who have retired as deputy heads of provincial departments or higher, officials with CPC membership of the special committees of the provincial people's congress and the provincial CPPCC Committee.

#### **Zhejiang Port To Raise Funds for Construction**

OW1411095494 Beijing XINHUA in English 0925  
GMT 14 Nov 94

[FBIS Transcribed Text] Ningbo, November 14 (XINHUA)—The port city of Ningbo in east China's Zhejiang Province will raise a total of 300 million yuan (about 35.2 million U.S. dollars) from society within a year for its road construction.

The city, enjoying a fine geographical location, has made great achievements in port construction in recent years.

Beilun harbor in the eastern part of the port city handled more than 50 million tons of cargo in the first ten months of the year.

With the completion of its 200,000-ton wharf, the harbor has become one of the world's largest. However, unsatisfactory road conditions in the locality as well as in the city's neighboring counties has held back its further development.

To further promote its economy, the city government has decided to raise social funds to improve its road conditions, including the building of the Hangzhou-Ningbo express way, the renovation of the railway between the two cities and the second-phase construction of the Lishe Airport.

An estimated investment of more than 12.5 billion yuan (about 1.467 billion U.S. dollars) will be needed in road construction, according to the city government, which also plans to draw on overseas investment and enlarge allocations.

#### **Central-South Region**

##### **Guangzhou Reports Progress in Fighting Inflation**

OW1411044694 Beijing XINHUA in English 0216  
GMT 14 Nov 94

[FBIS Transcribed Text] Guangzhou, November 14 (XINHUA)—This capital of south China's Guangdong Province has reported progress in its attempts to curb inflation.

Statistics show that the city's average retail and consumption prices are below the average for other parts of the province and for China's other 35 large and medium-sized cities.

According to a sample survey, from January to September this year the city's residents enjoyed a per capita monthly income of 581.21 yuan, a 44.27 percent increase over the same period of last year. Excluding price-rise factors, the increase rate is still as high as 19.83 percent.

Last year the city's overall price rise rate was the second-highest among China's large and medium-sized cities after Haikou, capital of south China's Hainan Province.

In the first quarter of this year the retail price index rose 2 percent.

At the same time, in order to control the rise of vegetable prices, the municipal government purchased large amounts of vegetables from other provinces and put them on the local market at low prices. This summer it did the same with grain.

The city also halted the rise of certain utility fees, the survey showed.

#### **Guangdong Magazine Gives Contraception Information**

HK1411153794 Beijing ZHONGGUO XINWEN SHE  
in English 1215 GMT 14 Nov 94

[FBIS Transcribed Text] Guangzhou, November 14 (CNS)—A monthly magazine known as REN ZHICHU meaning the very beginning stage of life is being run by the Guangdong Family Planning Commission for publicity of knowledge on sex and education on family planning. It has recently held a function awarding the winners of the article contest entitled "My story of contraception" and published materials of experience in this field, becoming one of the best sellers in the municipality.

The magazine staged a contest for soliciting articles on contraception early this year. Unlike other kinds of article contests available in Guangzhou, the activity requested that contestants had to reveal their real experience in contraception as well as privacy in their sexual life. As of the deadline set for last October, there were nearly 1,000 entries from 28 provinces and cities across the country. Male writers made up 60 percent and female 40 percent with the oldest contestant aged 75 and the youngest 13 who was a junior middle school student. Most of the contestants were mainly teachers and doctors while there were also workers and peasants. Publication of selected articles in which the writers freely expressed their feeling for contraception was something new and the stories were readable. Sales of the magazine rose to 600,000 copies, an increase from the original 300,000 copies and the magazine maintains a best seller.

A female teacher who won the special prize expressed her eagerness for ideal contraceptive methods while the first prize winner frankly disclosed an unpleasant story in marital life in which the writer experienced ignorance of and lack of effective way for contraception while psychological pressure was resulted from sexual life in two spans of marriage. The article said the writer did not realize the truth in marital life until he was in his fifties. There were 16 other prize articles of various topics covering sexual behaviour, marital life and contraceptive experience.

The four-year-old magazine, according to the official in charge, is aimed at overcoming the general public's ignorance and weakness of knowledge on sex and at smashing taboo and mystery surrounding sexual matters which had long been rarely raised publicly in China. Such practice is considered part of the family planning drive.

The illustrated journal includes columns such as knowledge on family planning and on baby birth, sex and family, all about love affairs, relations between a couple and special column for question and answer.

#### **Guangdong Urban Residents Move to Rural Areas**

OW1411073294 Beijing XINHUA in English 0720  
GMT 14 Nov 94

[FBIS Transcribed Text] Beijing, November 14 (XINHUA)—The rapid rural economic development in south China's Guangdong Province is attracting streams of urban people to move to the countryside.

According to the journal "Chinese Society," more than 400,000 urban people have so far settled in the Pearl River Delta, where the economy has developed more rapidly than in other parts of the province, to work in rural industrial enterprises.

A survey shows that the reason why urban people are keen to settle down in rural areas is that they can get plots of land to build their own houses, and every villager can enjoy pensions similar to those available for people in cities.

At present, many villages with strong economic foundations run kindergartens and schools, of which teaching quality and facilities are better than in urban areas.

Some of the villages also provide free medical care.

#### **Guangdong Harvest Makes 'Turn For The Better'**

OW1211234294 Beijing XINHUA in English 1720  
GMT 12 Nov 94

[FBIS Transcribed Text] Guangzhou, November 12 (XINHUA)—After three years of decline in grain production, Guangdong Province in south China made a turn for the better this year.



Officials from the provincial government said that the total output of grain this year is expected to reach 16.64 million tons, an increase of 355,700 tons over last year.

The officials attributed the achievement to economic measures and administrative decrees adopted by the provincial government this year to ensure the sown acreage of grain.

During the past few years, many farmers and local officials neglected the production of grain and turned to industry and service trades for higher profits.

Last year the sown area dropped by 430,000 ha [hectares] and grain output reduced by almost 10 percent.

To stop the declining of grain production the provincial government made a decision that governments at all levels must set aside certain sums of funds every year to help farmers combat natural disasters and implement protective prices for purchasing grain from farmers.

During the coming three years, the provincial government will earmark 50 million yuan each year to set up 50 grain production bases.

Meanwhile, the provincial people's congress adopted a regulation on the protection of farmland.

The province planted 33.2 million ha of grain this year, an increase of 90,000 ha over last year.

#### Guangdong Express Railway Holds Trial Run

HK1611065794 Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 11 Nov 94

[FBIS Translated Excerpts] The Guangzhou-Shenzhen quasi-express railway, the first of its kind in China, will be opened to traffic at the end of this year. Yesterday afternoon Governor Zhu Senlin and his entourage inspected the trial run of a quasi-express train. The following is an on-the-train recorded report filed by our reporter.

[Reporter Liang Binsheng] Final trial tests are being busily carried out on the railway signals, telecommunications, and safety procedures. Governor Zhu Senlin, Vice Governor Zhang Gaoli, and former railway Minister Li Senmao, boarded the quasi-express train and inspected the railway line, which will be opened to traffic soon. The railway is 147 km long, work began on 28 December 1991, with 30,000 workers participating around-the-clock in the construction for almost three years. Now the transformation of the railway bed, stations, bridges, signals, and telecommunications has been completed. To ensure the safety of the quasi-express railway, on 21 September of this year, a comprehensive trial test was conducted on the railway line, engines, railway compartments, telecommunications, and signals. The first-phase trial test on the railway bed and bridges was completed on 21 October. An experiment showed that the train's maximum speed was 174 km per hour. All experimental data was able to meet the traveling

speed of 160 km per hour. The second- and third-phase trial tests on the telecommunications and signals as well as safety appraisal are still under way. [passage omitted] The train arrived at the Changping Railway Station after 40 minutes of travel. Zhu Senlin got off the locomotive and made an enthusiastic speech at the station.

[Zhu Senlin] First of all I thank the construction unit, engineers, and workers for their efforts devoted to the construction of this quasi-express railway, the first of its kind in the country. The completion of this railway will have far-reaching significance, although the railway line is not very long. Not only will it improve Guangdong's transportation and shorten travel time, it will also help improve China's railway construction. This railway, should be used as an example for many localities in the country to follow. This railway is linked to Hong Kong, therefore it will produce a great impact overseas. Your efforts are praiseworthy. The problem now is to make all the necessary preparations for its completion at the end of this year.

[Liang] This is reported by Liang Binsheng.

#### Shenzhen Develops Into Modern Port City

OW1411102994 Beijing XINHUA in English 1005 GMT 14 Nov 94

[FBIS Transcribed Text] Shenzhen, November 14 (XINHUA)—Shenzhen, China's first special economic zone, in Guangdong Province, has developed into a modern port city.

Its Huanggang port, the mainland's largest land port, handles more than 60,000 motor vehicles and about 100,000 passengers every day.

The port offers a 24-hour service.

The total of eight ports in east and west Shenzhen form a group consisting of 92 berths, including 21 able to accommodate ships of 10,000 dwt.

They handled 25 million tons of cargo last year.

So far, the Shenzhen airport operates 51 routes linking the city with other parts of the country and overseas.

Last year saw a total of 48 million people and 31.58 million tons of cargo enter or leave the country via Shenzhen.

The city imported and exported 24.3 billion U.S. dollars-worth of goods in the first three quarters of this year, accounting for 34 percent of the province's total and 15 percent of the country's total.

#### Modernization Program for Hainan City Approved

OW1511133694 Beijing XINHUA in English 0929 GMT 15 Nov 94

[FBIS Transcribed Text] Haikou, November 15 (XINHUA)—A program to modernize this capital of south China's Hainan Province has been approved by experts here recently.



According to the program, the urban area will be expanded to 1,127 sq [square] km by the year 2005, from the present 34 sq km, its population will be controlled within one million and its gross product value will rise to ten billion yuan.

Since 1988, when Hainan Island became a province and the country's largest special economic zone, Haikou has invested 11.2 billion yuan in building infrastructural facilities.

At present, the city has 4,100 public buses averaging 3.5 for every 10,000 people.

The Haikou Airport has become the eighth-largest airport in the country. It is able to accommodate 700,000 passengers a year. The airport has opened 38 domestic and international air routes.

The Haikou Port has two berths able to accommodate ships of 10,000 dwt [deadweight ton] and 24 berths for ships under 3,000 dwt. Its annual cargo-handling capacity reaches 9.2 million tons.

So far, the port has opened 23 shipping routes overseas and 47 routes to other parts of the country.

By the end of June this year the city had a total of 268,900 program-control telephone lines, averaging 31.1 telephones for every 100 people and ranking first in the country.

According to Xia Enshu, deputy mayor of the city, Haikou will further improve its infrastructure facilities to meet the needs of its rapid economic growth.

#### **Hainan's Haikou Leads in Financial Institutions**

*OW1311163494 Beijing XINHUA in English 1543  
GMT 13 Nov 94*

[FBIS Transcribed Text] Haikou, November 13 (XINHUA)—Haikou, capital of south China's Hainan Province, which is the largest special economic zone, now has three specialized banks, more than 300 financial institutions and credit co-operatives.

On average, there is a financial institution for every 1,600 residents, taking the lead in the country.

Local authoritative personnel said the fast increase in the number of financial organs here is closely linked with the rapid growth of market-oriented economy in the province.

Since the province was founded in 1988, the private and collectively-owned firms have sprung up like mushrooms. So far, the number of individual businesses in Hainan totalled 17,400 and that of private firms reached 7,118. These private financial firms serve as supplements to the state-owned banks and have contributed greatly to economic prosperity of Hainan.

By the end of last September, relevant statistics in the province showed, the amount of savings deposits in

Haikou exceeded 11.25 billion yuan (1.3 billion U.S. dollars), a rise of 7.8 percent over the same period of last year. And the amount of loans handled by these banks totalled 5.96 billion yuan (693 million U.S. dollars).

However, Jia Hongquan, a local bank official of the People's Bank of China also acknowledged some problems in the operation of these private and collectively-owned financial organs.

The province is now drawing up regulations concerning the management of these financial institutions to help set their operation on the right track.

Moreover, the local government is building a 4.13-sq-km financial and trade development zone in Haikou. To date, 130 domestic and overseas banks have opened branches in the zone.

#### **Hubei City Continues To Attract Investment**

*OW1211232194 Beijing XINHUA in English 1453  
GMT 12 Nov 94*

[FBIS Transcribed Text] Yichang, November 12 (XINHUA)—Yichang City in central China's Hubei Province where the Three Gorges Project is to be built, has been witnessing a foreign-investment boom for the third time in recent months.

Situated on the middle reaches of the Chang Jiang River, Yichang is near the Three Gorges.

So far, there are 500 joint-ventures and foreign-funded enterprises in the city, said a local government official.

The investment boom has also encouraged foreign investors to develop tourism in the Three Gorges area due to a series of preferential policies mapped out by the State Council.

In terms of related facilities, the Three Gorges International Airport in Yichang, an express highway, a bridge over the Chang Jiang River, a deepwater port on the Chang Jiang River and a communication project of 80,000 automated telephones have been constructed in the area.

The third "Three Gorges" Art Festival held in Yichang recently helped to improve the development of the region and draw investment from the outside world.

There were 164 agreements and 15 contracts of co-operative projects signed at the festival with an investment totalling 400 million yuan (45 million U.S. dollars).

In 1992, an investment boom took place after the motion for construction of the Three Gorges Project, China's largest water conservancy project, was approved at the Fifth Session of the Seventh National People's Congress in early April of that year.

A survey showed that the investment in 1992 totaled 50 million yuan (5.6 million U.S. dollars).

The total number of joint-ventures in the city increased to more than 200 following the establishment of 38 joint-ventures when the city saw its first investment and construction boom in the mid- 1970's and into the 1980's.

#### **Overseas Firms' Agencies Increasing in Hubei**

OW1611032294 Beijing XINHUA in English 0215  
GMT 16 Nov 94

[FBIS Transcribed Text] Wuhan, November 16 (XINHUA)—The number of agencies set up by overseas companies in this capital of central China's Hubei Province is increasing rapidly.

According to local officials, by the end of September this year there were 174 agencies of overseas companies in the city, up from 22 in 1991.

These agencies have been set up by companies and banks from 16 countries and regions, including many transnational consortiums.

The agencies are playing a positive role in exchanging information and promoting economic co-operation between Wuhan and overseas businesses, the officials said.

#### **Hubei Notes Increase in Farmers' Income, Spending**

OW1611073694 Beijing XINHUA in English 0632  
GMT 16 Nov 94

[FBIS Transcribed Text] Beijing, November 16 (XINHUA)—Rural markets in central China's Hubei Province are lively this year, with a high demand for farm production materials and higher-quality consumption goods.

A survey conducted by the Hubei Provincial Supply and Purchasing Department attributed the change to a big increase in the income of farmers this year.

The per capita income for farmers this year is 991 yuan, 172.9 yuan more than in 1993, the survey says.

The increase comes mainly because of this year's higher output of cotton and oil-bearing crops, the hike of state purchasing prices for agricultural products, labor service opportunities and the lifting of some levies on farmers.

Expenditure by farmers this winter and autumn was up 16.1 percent over the figure for last year, of which the expenditure on production materials was 7.6 percent more than the expenditure on everyday necessities.

The survey predicted that farmers' expenditure on farm production materials this year will be 21.3 percent higher, and on consumption goods 13.7 percent higher, than last year.

The survey showed that chemical fertilizers, plastic sheeting for crop and vegetable production, and farm machinery are among farmers' biggest purchases.

As for consumption goods, farmers are now tending to buy higher-quality goods, such as alcoholic drinks, wool, silk clothing, sports shoes, leather shoes and household electrical appliances.

However, the building materials market is not as brisk as before. This shows that rural housing construction boom is subsiding.

#### **Hunan's Agricultural Projects 'Paying Off'**

OW1611112894 Beijing XINHUA in English 0859  
GMT 16 Nov 94

[FBIS Transcribed Text] Changsha, November 16 (XINHUA)—Agricultural science research projects are paying off in central China's Hunan Province.

The Hunan Academy of Agricultural Sciences has won 31 prizes for agricultural research projects this year at various competitions held in the province.

Among the projects, there is "Weiyou-46" hybrid rice, which has been planted on 1.06 million ha [hectares] in the province and elsewhere in the country over the past few years, yielding an additional rice output of over 480 million kg.

Cross-breeding animal husbandry technologies have so far been spread over an area topping 2.758 ha, producing added economic gains worth more than 1.1 billion yuan.

The academy boasts a batch of outstanding researchers in agricultural sciences.

It shoulders about 30 state and provincial research projects each year.

### **Southwest Region**

#### **UNIDO Head on Southwest's Economic Prospects**

OW1411224994 Beijing XINHUA in English 1612  
GMT 14 Nov 94

[FBIS Transcribed Text] Kunming, November 14 (XINHUA)—Maria Campos, director-general of the United Nations Industrial Development Organization (UNIDO), said in an interview here today that China's southwest region has very good prospects for economic development with its rich natural resources.

Campos arrived here this afternoon to attend a conference on investment and business canvassing to be held in Kunming from November 15 to 17, and the UNIDO is one of its sponsoring units. Campos will serve as chairman of the conference together with He Zhiqiang, governor of Yunnan Province.



Campos said that he was impressed by China's economic growth. "To hold the conference here shows that we are confident for the region's economic progress," he added.

According to Campos, 106 foreign businesspeople, who represent 450 companies involving a large number of cooperation projects, will attend the coming conference.

This evening, Governor He Zhiqiang met with Campos and his party at Kunming Hotel. He said that the UNIDO's cooperation with China has been successful, adding that UNIDO has held investment conferences in northeast and northwest China regions, and the coming conference in Kunming will surely be helpful to the economic development in the country's southwest region.

#### **Guizhou Circular Urges Payment of Tax Arrears**

HK1111112094 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 9 Nov 94

[FBIS Translated Text] The provincial government recently issued a circular asking supply and marketing, as well as financial and revenue departments, to closely cooperate with each other in straightening out enterprise order.

The circular stipulates that an enterprise's monthly tax must be paid in the relevant month, and that arrears of tax payments are not allowed. The annual tax collections all must be put into the state treasury in the relevant year. Arrears of taxes by tobacco factories and wineries must be worked off by deducting 70 and 50 percent from their sales incomes, respectively, before all arrears are cleared. All specialized banks must strictly implement the policy of deductions regarding taxes, loans, and profits. They must first deduct these factories' money for payment of tax arrears so as to prevent the practice of leaving documents or bills of exchange as security. Taxation departments at all levels must strengthen their management of tax collection, and must strictly prohibit unauthorized exemptions, reductions, or postponements of tax payments. All departments in charge of enterprises must help enterprises work out plans to clear their tax arrears.

#### **Geologists in Guizhou Verify More Gold Deposits**

OW1511100494 Beijing XINHUA in English 0859 GMT 15 Nov 94

[FBIS Transcribed Text] Guiyang, November 15 (XINHUA)—Geologists in southwest China's Guizhou Province have verified three more Carling-type gold deposits.

This raises the amount of such gold reserves in the province by 260 percent to account for one third of the country's total.

The three deposits are located at Lannigou, Getang and Zimuhan.

Carling-type gold, featuring tiny grains, was first discovered in the Carling area of the U.S. state of Nevada in the 1960's.

Guizhou, Yunnan and Sichuan Provinces form a "golden triangle", an area listed by the state for development into a key gold producer in the 1991-1995 period.

#### **Sichuan's Ethnic Minority Areas Make Economic Progress**

OW1511101894 Beijing XINHUA in English 0839 GMT 15 Nov 94

[FBIS Transcribed Text] Chengdu, November 15 (XINHUA)—Ethnic-minority inhabited areas in southwest China's Sichuan Province have made marked progress in developing their local economy over the past two years.

Statistics show that the gross domestic product of these areas grew at an average 8.7 percent in the past two years, and the output value of agriculture and industry grew 13 percent.

The province has 61 ethnic-minority counties, with their combined population accounting for one tenth of the total of 110 million people in the province.

For a long time, the ethnic areas lagged behind other parts of the province because they are scattered in remote and mountainous land.

The provincial government has spent more than one billion yuan on the areas over the past 15 years. As a result, the total industrial output value caught up with that of agriculture for the first time in 1993.

In addition, a total of 27 foreign-funded enterprises have started production in these areas, involving an investment of some 1.5 billion yuan.

#### **Article Views Educational Development in Tibet**

HK1511053094 Beijing RENMIN RIBAO in Chinese 1 Nov 94 p 1

[Dispatch from Lhasa by He Guanghua (6320 1639 5478): "Tibet Gives Priority to Development of Education and Improvement of Conditions for Running Schools"]

[FBIS Translated Text] Lhasa, 31 Oct (RENMIN RIBAO)—Since Tibetan Education Year in 1993, governments at all levels in Tibet have given priority to the development of education, substantially increased financial inputs, repeatedly improved conditions for running schools, and aroused all social strata to show concern for and give support to education, thus leading educational undertakings onto an "expressway." According to a briefing from the education commission of the autonomous region, nearly 21.5 million yuan has been injected into education in Tibet over the past two years, exceeding the total sum of the previous three years. A



total of 523 new schools have been built, an additional 50,000 pupils have enrolled, and the enrollment rate for school-age children has risen to 67 percent.

"To achieve prosperity of the people in their homeland, education must proceed ahead of everything else." Party committees and governments at all levels in Tibet have generally strengthened their awareness of the urgency and responsibility for invigorating education. As a result, a new situation in which principal party and government leaders take firm control of education with concerted efforts has emerged. It is stipulated in various localities that 15 percent of financial revenue should be used for education. In the meantime, local education planning and implementation measures for practicing compulsory education have been worked out, and an educational target responsibility system has been universally put into practice.

Various social sectors in Tibet have heeded, supported, and participated in education, thereby instilling new vitality into educational undertakings in Tibet. "Project Hope" and running schools through fund-raising have become voluntary actions of the vast numbers of peasants and herdsmen. According to incomplete statistics, 15 million yuan of money, labor, and materials have been donated by the masses for running education over the past two years.

While vigorously developing basic education, Tibet is also paying attention to adjusting the educational structure and promoting technical education with a view to training elementary and intermediate professional technicians and enhancing laborers' quality. At present, on the basis of 16 special secondary schools, Tibet has introduced material of a vocational education into some ordinary secondary schools.

#### **Tibet Autonomous Region Honors Monasteries, Abbots**

OW1611113394 Beijing XINHUA in English 0833  
GMT 16 Nov 94

[FBIS Transcribed Text] Lhasa, November 16 (XINHUA)—Southwest China's Tibet Autonomous Region has honored 46 monasteries and 160 abbots.

It is the first time the regional government has commended advanced monasteries and their managers.

"It reflects the government's care for religions and religious believers," said a living Buddha honored this time.

They were honored for their achievements in managing and repairing monasteries, protecting and sorting out cultural relics housed in monasteries, training novices and carrying out social and public welfare services.

Officials from the Bureau of Religious Affairs under the State Council attended the commendation ceremony and reiterated China's policy of respecting and protecting the freedom of religious belief.

#### **Conditions for Herdsmen on Tibet Plateau Improve**

OW1311145794 Beijing XINHUA in English 1423  
GMT 13 Nov 94

[FBIS Transcribed Text] Lhasa, November 13 (XINHUA)—Chinese Government's adoption of market economy has benefited not only coastal areas but also remote Qinghai-Tibet Plateau.

According to the latest statistics, the annual income of people in east and west pastoral areas tanggula ranges on the plateau averages 1,050 yuan and 650 yuan per capita respectively, an increase of 250 yuan and 140 yuan over those in the farming and pastoral areas.

The plateau, at an altitude of 3,500 meters above sea level, includes Qinghai Province and the Tibet Autonomous Region.

It is one of China's four major pastoral areas and covers 119 million hectares of grassland, including 97.8 million hectares available for animal breeding. This area accounts for 35 percent of the country's total used for this purpose.

However, the frequent natural disasters have caused herdsmen to live a nomadic life for centuries.

The past four decades have witnessed the governments spend tens of millions of yuan on helping herdsmen improve their living conditions and grassland.

Since the early 1980s, the governments of Qinghai and Tibet have encouraged herdsmen to focus on animal breeding by improving grassland while undertaking diversified economy.

Qinghai Province in the eastern part of the plateau has invested 270 million yuan in supporting local people to plant grass, fence pastoral areas, build animal sheds and improve livestock breeds.

The input in science has checked up the deterioration of the pastoral areas and help livestock stand against diseases and improve the adverse ecological conditions on the highland.

The survival rate of domestic animals on the Qinghai-Tibet Plateau has risen from 49.3 percent in 1978 to 63.9 percent at present, and the mortality dropped from eight percent to four percent.

Since 1992, the amount of domestic animals in stock on the plateau has remained at 40 million head annually.

The introduction of the market economy has helped more and more people on the highland to get rid of the tradition of "disgrace in trading."

"Gone for the days when a herdsman exchanged a sheep for a dozen kilograms of salt, several kilograms of butter or pocket money," a Qinghai provincial official in charge of livestock industry said.

"Nowadays, herdsmen sell sheep wool to the state, skin to leather business people, mutton to the market, and even sheep heads to individuals," he noted. "As a result, the price of a sheep is 20 times to 30 times higher than before," he added.

A survey shows that the commodity rate of animal products on the plateau has expanded from four percent in 1978, a year before China began its national reform and opening further to the outside world, to some 30 percent at present.

In 1993, the Qinghai-Tibet Plateau was hit by heavy snow, hail and drought disasters, the amount of cattle and sheep in stock reduced sharply. However, the income of local people still rose thanks to the increase in commodity rate of animals.

Benefiting from raising domestic animals with scientific methods, herdsmen have spent more on improving grassland and livestock breeds.

According to an estimation, the income of herdsmen on the plateau this year will go up by seven to nine percentage points over last year.

### North Region

#### Beijing Achievements in Optimizing Leading Bodies

SK1411063094 Beijing BEIJING RIBAO in Chinese 26 Oct 94 p 1

[By reporter Ding Yatao (0002 0068 7290): "Beijing Municipality Makes Breakthroughs in Cultivating and Selecting Outstanding Young Cadres"]

[FBIS Translated Text] Beijing has regarded enhancing the overall quality of leading bodies as the objective and achieved fairly big breakthroughs in optimizing the structure of leading bodies and cultivating and selecting outstanding young cadres. A great number of outstanding young cadres have emerged and assumed leading posts at all levels. The municipal party committee has also stepped up efforts to train, educate, and test the newly appointed young cadres and enabled them to shoulder the transcendent historical heavy tasks as quickly as possible.

Taking advantage of the opportunity of changing the office term of leading bodies of districts and counties, the municipal party committee further expanded strength in the cultivation and selection of outstanding young cadres and succeeded in greatly improving the structure of leading bodies through more than one year of effort. It has been learned that through changing the term of office, Beijing has succeeded in making the average age of the standing committee members of the party committees of 18 districts and counties come to 45, which is five years younger than the previous term of office; the average age of the members of the district and county government leading bodies is only 42.8, 6.3 years

younger than those of the previous term. The new district and county party and government leading bodies are mainly composed of cadres of about 40 to 50 years old. Among these cadres, 83 are about 30 years old, accounting for 25.9 percent. About 50 percent of the members of the district and county people's congress standing committees and of the standing committees of the district and county committees of the Chinese People's Political Consultative Conference may serve two office terms, and among them 44 are only about 40 years old.

The bureau-level leading bodies have installed a number of cadres under 45 years old. In 1993, the municipality as a whole promoted 340 cadres at the district, county, and bureau levels. Among them, 119 persons were under 45 years old, accounting for 35 percent. Since the beginning of this year, Beijing has promoted 257 bureau-level cadres, 71.6 percent of whom are under 45 years old; and 35.8 percent are under 35 years old. Presently, all districts, counties and all departments of urban construction, commerce and trade, agriculture, and forestry have installed cadres about 30 to 35 years old to their leading bodies at the bureau level.

The number of reserve cadres at the district, county, and bureau levels has increased and their structures have been greatly improved. As of the end of June this year, reserve cadres at the district, county, and bureau levels had reached more than 2,600 in number, and among them, 78.7 percent are under 45 years old and 28.5 percent are under 35 years old.

In cultivating and selecting outstanding young cadres, Beijing Municipality has paid attention to comprehensively implementing the principle of selecting "revolutionary cadres who are younger in average age, better educated, and more professionally competent," and the principle of selecting cadres with ability and political integrity, persisted in following the mass line, and paid attention to public opinion. After the young cadres assumed leading posts, the municipal party committee has seized the opportune moment to adopt all kinds of measures to train and improve them. First, the municipal party committee sponsored training classes and succeeded in training 129 newly appointed cadres under 45 years old at the district, county, and bureau levels. The standing committee of the municipal party committee conscientiously examined the study and training content. Chen Xitong, secretary of the municipal party committee personally defined the training content and forms and particularly stressed the education on the party's purpose, democratic centralism, and the three major work styles among young cadres as well as investigation, study, and basic skill training. During the training, Chen Xitong, Chen Guangwen, and Yang Chaoshi, and other municipal leaders also held forums with students, and encouraged young cadres to enhance their mastery of the Marxist theory, to promote the party's fine traditions and work style, to promote strong points, to avoid shortcomings, and to train themselves into



qualified leaders as soon as possible. Second, since last year, the municipal leaders have held talks with young cadres in groups on three occasions and encouraged them to strengthen study after assuming new posts, to emancipate thinkings, to have courage to practice, to go to the reality, to maintain ties with the masses, and to advance in a pioneering spirit. Third, the municipal party committee let the newly appointed cadres have duties, powers, and responsibilities instead of making them a decoration and enabled them to enhance ability in the course of practicing their leadership work. With regard to a small number of young cadres who had failed to be trained at the grass-roots levels, the municipal party committee arranged for them to hold concurrent principal leading posts at the grass-roots units after they assumed posts so as to make up for their missing lesson. Fourth, the municipal party committee further enhanced the scientific, cultural, and special knowledge levels of the newly appointed young cadres. After assuming new posts, many young cadres gained their second schooling record by attending the evening university courses or correspondence university courses, and some of them even studied for a masters degree. The organization department of the municipal party committee also sent a group of outstanding young cadres to further their studies in institutions of higher learning. Fifth, veteran comrades gave help and set examples in training young cadres, passed on their leadership experiences and work methods to them, and helped them solve problems cropping up in their work.

It has been learned that this group of newly appointed young cadres are fairly liberated in ideology, have vigor and vitality, dare to go ahead and to try it, and have brought vigor and vitality to the leading bodies. In general, most of them have done a remarkable job.

#### Beijing Conducts Census on Floating Population

HK1111134394 Beijing CHINA DAILY in English 11 Nov 94 p 3

[By Zhu Baoxia: "Beijing Census Monitors Floating Populace"]

[FBIS Transcribed Text] Thousands of non-Beijing citizens registered yesterday for a sample census of the capital's floating population.

The census, the first of its kind in Beijing, aims to determine the number and conditions of the floating population so as to better manage affairs for the capital's migrant residents.

Yesterday's registration was for anyone without official Beijing citizenship but with a fixed residence in one of the eight downtown districts and 10 suburban districts and counties of Beijing.

"The census is for the benefit of our non-Beijingers," 33-year-old Liu Honghuai from Hebei said when delivering his ID card and certificate for a temporary stay to the census-taker.

"Through the census, the government can have a clear picture of the situation of the city's floating population and may work out some feasible policies to restrict the market and take other action to provide us businessmen with a more secure and comfortable environment," said Liu, who has lived in Beijing for about 10 years.

Liu and his wife were previously farmers from Renqiu in Hebei Province.

In Beijing, they work as grain dealers, earning 2,000 to 3,000 yuan (\$230 to \$340) a month.

They rent a one-storey house in Madian Beicun, Haidian District, for 300 yuan (\$35) a month.

Their daughter is studying at a nearby primary school, which charges an additional 80 yuan (\$9.4) per semester for non-Beijing students.

Du Xiaohu from Quanzhou, Fujian Province, shares a big three-room courtyard home with four others in Madian Beicun.

Du and his friends sell fish at Dazhongsi Market in Northwest Beijing; they have stayed in the city for one to three years.

"We welcome the census," 25-year-old Du said. He said he was not worried about the census because he was law-abiding and had applied for all necessary licences from the local neighbourhood committee.

Madian Beicun Neighbourhood Committee director Hai Shumin said there are 393 non-Beijing residents in the area which has a total of 800 households.

Most of the migrant residents are business people from Fujian, Hebei, Anhui, and Hunan Provinces.

Chi Zhiming, vice-director of the Beitapingzhuang sub-district office of Haidian District, said the census has prompted some nonregistered people to apply for temporary residence licences.

#### Beijing Police Solve 'No. 1' Case

HK1611123694 Beijing ZHONGGUO XINWEN SHE in English 1128 GMT 16 Nov 94

[FBIS Transcribed Text] Beijing, November 16 (CNS)—The Beijing police checked a criminal case known as the No. 1 case for its seriousness in which a man usually followed little girls and then forced into their houses where he committed rape and robbery. A suspect called Ma Hongyan was arrested.

The suspect committed crime on some 70 occasions in Beijing and Tianjin municipalities in the nearly past two years. In Beijing alone, he employed on some 60 occasions the practice of tailing after female students into their houses and then committing rape and robbery.



The Xuanwu District police discovered the trace of the suspect near a gas station in the municipal government building in the afternoon on November 2 and then captured him.

The 28-year-old suspect lives in Langfang, a town in Hebei Province between Beijing and Tianjin. He quit his job and divorced his wife. He has been fully indulging himself in gambling and lost so much money it led him to committing crimes in the two municipalities.

Initial investigation showed that the suspect robbed victims of gold ornaments, clocks and watches as well as various kinds of electrical home appliances worth a total of RMB [renminbi] 200,000 during the last two years. The police also seized 35 rounds of bullets for pistol and ten rounds for hunting rifle.

The suspect committed crime time and again without hitch and Beijing residents once lived in fear. The case aroused great concern of the police in Beijing and Tianjin while the Central Committee of the Communist Party of China together with the Ministry of Public Security ordered a swift solution to this case at any expense.

There are signs showing that burglary cases are on the rise and the public security department are now adopting measures to prevent such crime.

#### **Increase in Lawyers in Beijing Said Beneficial**

OW1511114094 Beijing XINHUA Domestic Service in Chinese 1453 GMT 6 Nov 94

[By reporter Wu Hongxiao (0702 4767 2556)]

[FBIS Translated Text] Beijing, 6 Nov (XINHUA)—Beijing Municipality adopted various means to promote reform and development of lawyers' work in recent years. To date, there are 3,397 lawyers and 184 law offices in Beijing. Lawyers have handled over 100,000 cases for units and individuals since 1991.

According to a relevant department, Beijing began setting up cooperative law offices on the basis of a new attorney organization "which is not included in the authorized size of state organs, does not receive any funds from the state, is voluntarily formed and responsible for its own income and expenditure, strives for development on its own, and exercises self-restraint" on a trial basis in 1988. Beijing's Justice Bureau was the first in China to carry out reform of the sector by encouraging the establishment of cooperative law offices from a high starting point. The number of law offices in Beijing increased from 45 to 184 in the past three years. Among them, the number of law offices "which are not included in the authorized size of state organs, do not receive any funds from the state, are voluntarily formed and responsible for their own income and expenditure, strive for development on their own, and exercise self-restraint" increased from four to 102. The figure accounted for 55 percent of the total number of law offices. Meanwhile,

law offices gradually implemented democratic management of their personnel, finance, and business activities; they established a self-discipline mechanism; and they instituted a system which conducted a comprehensive appraisal of personnel's ethics, ability, and industriousness, and which linked wages to efficiency. As a result, an incentive mechanism took initial shape.

The reform of the lawyer system attracted a multitude of high quality professionals and scholars who had completed their studies abroad to join the ranks of lawyers. Great changes took place in the structure of general education and the level of knowledge among lawyers in the capital. According to a briefing, the total number of lawyers in Beijing increased from 1,329 in 1991 to 3,397 now, and among them 346, or 10.2 percent of the total, possess a master's degree or above.

Lawyers in the capital became the "guardian gods" of economic development. From September 1991 to June 1994, lawyers in Beijing acted as permanent legal advisers for more than 10,000 state organs, enterprises, and institutions; they participated in negotiations, drafted articles of association, examined contracts, and settled more than hundreds of thousands of disputes; and they saved economic losses worth a total of 4.16 billion yuan. They handled a total of 25,000 civil lawsuits and 10,000 economic disputes, undertook a total of 14,000 criminal cases to plead for defendants, handled a total of 18,000 nonlitigation legal affairs, and offered advice to parties involved in 140,000 legal cases free of charge. They became an indispensable, important force for the development of a market economy.

A number of Beijing's professional lawyers have entered the banking sector. They act as legal advisers for 29 banks and nonbank financial institutions, including the Bank of China and the China Investment Bank, and participate in several international commercial loan projects carried out by state-level specialized banks to raise funds and handle the legal affairs of UN development projects in China. At present, there are 33 law offices qualified to handle securities-related legal affairs and 132 lawyers qualified to handle securities transactions. China approved enterprises to issue shares abroad in recent years; 90 percent of them accepted legal services provided by Beijing's lawyers; and Beijing's lawyers also acted as legal advisers for the stock exchanges in Shanghai and Shenzhen. Beijing's lawyers are expanding their operations to the superstructure, new spheres, and export-oriented services, and along an orientation of specialization.

#### **Hebei Holds Public Security Management Conference**

SK1611121594 Shijiazhuang HEBEI RIBAO in Chinese 30 Oct 94 p 1

[By reporter Shi Guizhong (0670 6311 0022) and Ma Zhanshan (7456 0594 1472): "Crack Major Criminal Cases, Pursue Escaped Criminals, and Wipe Out Criminal Gangs"]

[FBIS Translated Text] On 27 October, the provincial public security department held a telephone conference to work out plans for the work of the next stage. From now on, until the Spring Festival next year, the public security organs at all levels across the province will launch a three-month mass campaign to "crack major criminal cases, pursue escaped criminals, and wipe out criminal rings" in an effort to comprehensively deepen the struggle launched since August on "dealing stern blows to criminals and addressing public security problems." Xu Yongyue, deputy secretary of the provincial party committee and secretary of the provincial political science and law committee, attended and addressed the conference.

Since August, public security organs at all levels across the province have deeply launched struggles on "dealing stern blows to criminals and addressing public security problems," successively cracked a great number of major and appalling cases that caused great influence and serious harms, wiped out a great number of criminal rings that did all kinds of evils and dominated a certain area, captured a number of escaped criminals, and made concentrated efforts to improve the public security of some major villages and towns, road sections, and districts where public order was chaotic, investigated and handled a batch of law-breaking criminals who were engaged in prostitution, gambling, and "manufacturing and sales of pornographic things." As of 15 October, the province as a whole had cracked 5,474 major and appalling criminal cases of various descriptions, destroyed 1,063 criminal rings, captured 11,705 criminals and 743 escaped criminals of various kinds, and achieved remarkable results in the rectification work.

In order to consolidate the achievements in the first battle of "dealing stern blows to criminals and addressing public security problems" and to deepen the development of this struggle, the provincial public security department has defined "cracking major criminal cases, pursuing escaped criminals, and destroying criminal rings" as the major tasks of the second battle. Public security organs at all levels should resolutely grasp the serious cases of violence such as killing people with a gun, robbery, bombings, and stealing firearms, and other pernicious cases, and organize special regional struggle against frequent cases such as stealing and damaging oil field, railway, power, and telecommunications facilities and damaging farmland and water conservation facilities. As for cases that caused great influence and serious harm, it is necessary to establish the responsibility system of cracking criminal cases by assigning leaders to take full responsibility of the cases and sharing the duties to certain persons. Through cracking major cases, we should resolutely break the arrogance of criminals, exert strenuous efforts to pursue the escaped criminals, strengthen efforts in attacking criminal rings, and strive to round up the whole gang at one fell swoop. We must try by all possible means to capture the arch criminals and the key persons of the criminal rings. While doing a good job in "cracking major cases, pursuing escaped

criminals, and wiping out criminal rings," public security organs at all levels should actively coordinate with the relevant departments, closely catch up with the public security comprehensive management work, actively promote the building of crime prevention mechanism, enhance the ability to prevent and control law-breaking and criminal cases, and consolidate and develop the achievements in the struggle.

In his speech, Xu Yongyue stressed: Party committees and governments at all levels should continue to strengthen leadership over the struggle, realistically implement all measures in places where needed, and do a good job in organizing the entire operation. It is necessary to help solve practical difficulties and problems cropping up in the struggle, and guarantee the needs of the struggle. The political science and law committees at all levels should realistically strengthen leadership and coordination in this work; the public security, procuratorial, and judicial organs should make concerted efforts, reach a common understanding, enforce law strictly, and make criminals receive due punishment.

Xu Yongyue pointed out: Public security, procuratorial, and judicial contingents at all levels should conscientiously implement the guidelines of the Fourth Plenary Session of the 14th CPC Central Committee, strengthen the building of contingents, do a good job in fighting corruption and promoting honesty, closely integrate party building with administrative honesty, and use the building of contingents to promote the comprehensive development of the struggle of "dealing strict blows to criminals."

#### Inner Mongolia Project in 'Full Swing'

OW1511130694 Beijing XINHUA in English 0932  
GMT 15 Nov 94

[FBIS Transcribed Text] Hohhot, November 15 (XINHUA)—Construction of the Yimin Coal and Power Project is in full swing on the Hulun Buir Grassland in the Inner Mongolia Autonomous Region.

So far, the workshops of a thermal power plant have been built, a 240-m [meter] chimney erected and a 3.5-km-long coal conveyer belt installed.

According to Li Shaozeng, deputy general engineer of the Yimin Coal and Power Company, 1.15 billion yuan has been used in the construction, which began in July 1993.

The first generating unit is expected to go into operation in 1996.

The grassland abounds in lignite, and the Yimin Coalfield has verified coal reserves totalling 5 billion tons.

The company has decided to turn the coal into electricity and transmit it to northeast China's industrial bases in order to reduce energy costs.



According to the plan, the project will be able to transmit 12 billion kwh of electricity annually by the year 2000.

#### **Inner Mongolia's Largest Thermal Power Plant Expands**

*OW1511101694 Beijing XINHUA in English 0829 GMT 15 Nov 94*

[FBIS Transcribed Text] Hohhot, November 15 (XINHUA)—The Yuanbaoshan Thermal Power Plant, the largest in the Inner Mongolia Autonomous Region, is being expanded.

The plant, which has already completed two construction phases, is building a third phase with a total investment of 3.18 billion yuan.

According to Zhao Zhenhe, an official in charge of the project, said that the third phase is being built jointly by the State Energy Investment Company, the Northeast China Power Group, the Government of Liaoning Province and its capital city of Shenyang and the Chifeng City Government in Inner Mongolia.

So far, a sum of 790 million yuan has been used for the third phase, which began in October 1992, and more than one half of the work has been completed.

With a total installed capacity of 1.2 million kw, the third construction phase is expected to be completed in 1997.

By that time, the plant will be able to generate an additional 7.2 billion kwh a year.

The power will be transmitted mainly to northeast China to alleviate power shortages there.

#### **Inner Mongolia To Execute Embezzler**

*SK1411040894 Hohhot Inner Mongolia People's Radio Network in Mandarin 1100 GMT 12 Nov 94*

[FBIS Translated Text] A few days ago, the Hinggan League intermediate people's court sentenced Liu Yuyong, an extraordinarily serious embezzler, to death through a first ruling.

Criminal Liu Yuyong took the chance of assuming the post of a manager of the bond issuance section of the People's Bank of Ulan Hot City and privately had the key of the bond issuance treasury made to fit the lock. In September 1992, he opened the treasury, stole 2.5 million yuan worth of bonds of 100-yuan denomination and 25,000 yuan worth of bonds of one-yuan denomination, placed substitutes in the treasury, and stole banknotes valued at 2.475 million yuan. In November 1993, Liu Yuyong feared that if his crimes were brought to light due to his transfer and absconded to avoid punishment, thus creating the 9 November case that shocked the whole country.

On 1 November 1994, the Hinggan League intermediate people's court openly heard, according to laws, the

corruption case relating to Liu Yuyong, sentenced him to death, and deprived him of lifelong political rights.

#### **Shanxi Trains Skilled Coal Personnel**

*OW1611063594 Beijing XINHUA in English 0623 GMT 16 Nov 94*

[FBIS Transcribed Text] Taiyuan, November 16 (XINHUA)—North China's Shanxi Province, the biggest coal producer in the country, is paying attention to cultivating skilled people for the next century in order to maintain its coal production.

According to a survey, the province's coal reserves account for one third of the country's total. The annual coal output reaches 400 million tons, over 70 percent of which is delivered to other parts of the country.

Analysts predict that hot demand for coal will last well into the next century. As a result, there will be a great need for people with various types of relevant skills.

For this reason, the province has redoubled its efforts to step up the reform of higher education in this field.

The Shanxi Mining Institute, as the main source of coal mining talents for the province, has earmarked one million yuan a year to improve the general quality of its teachers and staff members, and add new teaching facilities.

Another step the institute has taken to meet the current and future demands of a socialist market economy is to restructure the specialties and courses, with the emphasis on coal mining technology. 7 ?? number of new courses have now been added, including construction engineering, accounting, marketing and science English.

In addition, the students in the college are required to undertake various kinds of social activities in order to improve their ability to solve practical problems.

In 1992 and 1993 they designed 122 projects for the province's mines and worked out 177 programs to enhance coal mining efficiency.

Since 1991 the institute has completed 422 high-tech research projects which have been directly used in coal production.

In 1992 seven of the province's coal-fired power plants used new fire-proof technology developed by the students, saving more than 10.05 million yuan and achieving an additional output value of 1.07 billion yuan.

#### **Foreign Managers in Tianjin Welcome Unions**

*OW1111024394 Beijing XINHUA in English 0123 GMT 11 Nov 94*

[FBIS Transcribed Text] Tianjin, November 11 (XINHUA)—More and more foreign managers in overseas-funded joint ventures are contacting the Municipal



Trade Union Federation of Tianjin, saying they are eager to establish trade unions in their ventures.

One of the latest petitioners is the Japanese manager of the Sino-Japanese Epson Co. Ltd.

"A trade union is helpful for the development of an enterprise, as it is a bridge which can coordinate the relationship between labor and management," the Japanese manager said.

The municipal government said that trade union branches have mushroomed in the city's overseas-funded ventures this year.

By the end of September 848 such enterprises had set up trade union branches, about twice last year's figure.

Not a single foreign manager has voiced opposition to the idea of establishing trade unions in overseas-funded ventures, said a government official. He added that he expected that by the end of this year trade unions would be active in more than 70 percent of such enterprises.

Many labor-management disputes in the past could have been avoided if there had been trade unions to mediate, he noted.

#### **Tianjin Development Zone Becomes Industrial Center**

OW1111013894 Beijing XINHUA in English 0110  
GMT 11 Nov 94

[FBIS Transcribed Text] Tianjin, November 11 (XINHUA)—Built on what was once a patch of waste saline-alkali land, the Tianjin Development Zone near this north China port city has turned into a new industrial center following a decade of construction.

Foreign investors from some 50 countries and regions have established more than 2,000 ventures in the 33-sq-km zone, involving a total investment of over four billion U.S. dollars.

Another 3,000 domestically funded enterprises have also been set up in the zone with a combined investment topping ten billion yuan.

Especially booming in the zone are electronics, mechanics, foodstuffs and biological medicine as well as energy, transport, commerce, catering, information services and real estate.

An old industrial center in northern China, Tianjin, about two hours drive from Beijing, is known for its large sea port and chemical industry.

However, the economic strength of the new development zone is expected to overtake that of the old city before long.

By the end of the century the overall industrial output value of the development zone is expected to reach 11.70 billion yuan, which would surpass that of Tianjin City proper.

#### **Tianjin Strengthens Environmental Protection**

OW1511104794 Beijing XINHUA in English 0806  
GMT 15 Nov 94

[FBIS Transcribed Text] Tianjin, November 15 (XINHUA)—North China's Tianjin Municipality strengthened pollution control over rural enterprises and constructed nature preservation zones in the past decade to promote rural ecology protection.

The efforts have now begun to pay off. Discharge of waste water, gas and slag increased only 14 percent annually while the annual output value of rural enterprises increased by 35 percent in this largest industrial base in north China.

Compared with 1986, the density of particles in the air dropped 0.26 mg [milligrams] per cubic meter.

Some 38,500 rural enterprises have been set up in the city, with the annual output value reaching 54.6 billion yuan.

Before 1985, with overheated development of rural enterprises as well as poor management, discharge of pollutants went out of control for a period of time.

To improve the troubled environment, the local government issued regulations on environmental protection for rural enterprises.

Rural enterprises will undergo a serious examination before getting approval, the regulations say.

Pollution-free industries were encouraged to develop in rural areas, while some 200 projects with serious pollution problems failed to gain approval and time limits were set for those existing enterprises to curb pollution.

In addition, distribution of the enterprises was arranged more rationally. 210 industrial zones were built in the municipality for comprehensive control of pollution.

Since 1984, four nature preservation zones, covering 40,000 ha [hectares] or 3.3 percent of the total landscape, have been built.

With the development of the rural economy and the improvement of the living standards of residents, ecological agriculture and pollution-free food production have enjoyed larger market.

For example, Jixian in the northern part of the municipality has been listed as a state-level pollution-free food base and Baodi County, in the suburbs of the municipality, listed as one of 50 trial counties for developing ecological agriculture.

#### **Northeast Region**

##### **Heilongjiang Appoints CPC Committee Secretary**

SK1611113494 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 15 Nov 94

[FBIS Translated Text] With the approval of the CPC Central Committee, Comrade Suo Changyou has been

appointed member of the standing committee of the Heilongjiang Provincial party committee and secretary of the Harbin city CPC Committee. Comrade Tian Fengshan will no long concurrently serve as secretary of the Harbin City CPC committee.

### Heilongjiang Holds Party School Conference

SK1611100294 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 15 Nov 94

[FBIS Translated Text] It was pointed out at the provincial conference on party school work held today that it is necessary to successfully run party schools at all levels in line with the provincial conditions and with the reform spirit.

Ma Guoliang, deputy secretary of the provincial party committee, addressed the conference. He said: Party schools at all levels should conduct education on the theory of building socialism with Chinese characteristics and on the theory of the socialist market economy among leading cadres at all levels and the reserve cadres in line with the province's reform, opening up, and the modernization drive, and carry out theoretical and countermeasure research. This are the fundamental tasks of our province's party schools under the new situation and the basic demands which the provincial party committee has set on party schools. Party schools at all levels should strive to deepen the study and training on the theory of building socialism with Chinese characteristics, combine the study of the *Selected Works of Deng Xiaoping* with the study of guidelines of the third and fourth plenary sessions of the 14th CPC Central Committee, and turn the process of study into one of emancipating thinking and of creating a new situation in economic work.

Party schools at all levels should also take the theory on building socialism with Chinese characteristics as guidance, strive to raise the level of running schools, act in line with the central tasks of the provincial party committee and the government, serve the general tasks of the whole province, emancipate thinking, seek truth from facts, uphold the principle of integrating theory with practice, and serve reform, opening up, and Heilongjiang's economic invigoration.

Ma Guoliang stressed at the end of this speech: Continued efforts should be made to strengthen leadership over the work of party schools, attend to the building of party school leading bodies, study the new situation and solve new problems in the course of doing party school work, help party schools solve practical difficulties, and realistically enable party schools at all levels to make new contributions to the province's reform and development.

The conference was presided over by Yang Guanghong, member of the standing committee of the provincial party committee and director of the propaganda department.

### Grass-Roots Organization Meeting in Heilongjiang

SK1611113694 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 15 Nov 94

[FBIS Translated Text] The provincial party committee held a telephone conference this afternoon to relay the guidelines of the national work conference on building rural grass-roots organizations and to devise plans for the work of building rural grass-roots organizations throughout the province during this winter and next spring.

Ma Guoliang, deputy secretary of the provincial party committee, addressed the conference. He said: Party committees at all levels should deeply understand and command the objective of strengthening the building of rural grass-roots organizations defined at the national conference and enhance the consciousness and sense of responsibility of doing a good job in building the rural grass-roots organizations. During this winter and next spring, it is necessary to grasp well the following few major tasks: Concentrate efforts on consolidating backward party branches and other village-level organizations that are in a state of weakness and slackness.

From now on, the province will organize 4,500 county and township cadres and devote 100 days or so to concentrate on consolidating 400 backward village party branches, improve the village-level organizations, do a good job in installing party branch secretaries, solve the problems which the masses have strong comments, take advantage of the opportune time of this winter and next spring to organize rural party members at all levels to study the relevant chapters and sections of the first, second, and third volumes of the *Selected Works of Deng Xiaoping*, study the Party Constitution and the decision of the Fourth Plenary Session of the 14th CPC Central Committee, firmly seize the time between this winter and next spring to train rural cadres in a concentrated way, realistically attend to the democratic appraisal of party members during 1994, and make necessary adjustments for unqualified party members.

It is necessary to successfully conduct investigation and study and formulate the three-year plan for building village party organizations. All cities, prefectures, and counties should organize efforts during this winter and next spring to conduct investigations on certain special topics in line with the five-good objective proposed by the central authorities, and formulate local specific plans for developing three years to strengthening the building of rural grass-roots organizations.

Ma Guoliang stressed at the end of his speech: All prefectural, city, and county party committees should carry out the work of strengthening the building of rural grass-roots organizations in places where needed.

Principal responsible persons of 11 provincial-level departments, committees, and offices, including the



organizational and propaganda departments of the provincial party committee, the research center, and the provincial financial and civil administration departments, attended the conference. Principal leaders of various prefectures and cities listened to the meeting at the sub-meeting sites.

### **Gold Deposits Discovered in Heilongjiang**

SK1411034894 Harbin Heilongjiang People's Radio  
Network in Mandarin 1000 GMT 11 Nov 94

[FBIS Summary] Two medium-sized gold deposits were discovered in Heilongjiang's Jiayin and Mohe. The one discovered in Jiayin can provide a profit totaling over 540 million yuan to the state after it is exploited; and the one discovered in Mohe can gain a net profit of over 200 million yuan in 10 years. These two gold deposits will become China's new gold production bases.

### **Heilongjiang Improves Public Health Infrastructure**

OW1411210694 Beijing XINHUA in English 1609  
GMT 14 Nov 94

[FBIS Transcribed Text] Harbin, November 14 (XINHUA)—Public health infrastructure in the rural areas of northeast China's Heilongjiang Province has been greatly improved in the past three years due to the input of 70.89 million yuan (8.14 million U.S. dollars) by local governments.

By the end of August, some 139 units in the province have invested a total of 50.41 million yuan to build public health accommodations with a floor space of 100,000 sq m.

To date, 1,317 items of advanced delicate medical instruments, such as X-rays and ultrasound machines, have been installed in 166 town and township hospitals.

The northernmost province has also invested 4.63 million yuan to train 3,656 rural public health professionals and management personnel.

Heilongjiang has meanwhile promulgated a host of rules and regulations on rural public health work, to ensure that preferential policies be given to the advancement of public health in the countryside.

Starting last year, the provincial government began earmarking 10 million yuan a year for the construction of rural public health facilities. Provincial sources said that the construction and installation of supporting facilities in 252 rural hospitals and clinics and 140 county-level health care facilities will be completed by the end of next year.

### **Jilin Vice Governor on Property Rights Sales**

SK1611093394 Changchun JILIN RIBAO in Chinese  
22 Oct 94 p 2

[Article by Liu Xilin, vice governor of Jilin Province: "Accelerate Sales of Property Rights To Promote Enterprises' Change of Operating Mechanism"]

[FBIS Translated Text] As the socialist market economy system has been by and large established, enterprise reform has entered a period when the most difficult problems are to be addressed. Focusing on the reform of the property rights system, a central issue, the provincial party committee and government have strengthened leadership and made unified arrangements since the beginning of this year to facilitate the enterprise reform in all fields. They have won fairly notable progress in the sales of property rights and the change of the operating mechanism and accumulated some good experiences.

I. Jilin has created a new situation in the sales of enterprises' property rights and the change of their operating mechanism.

Since last year, when the provincial government transmitted the "opinions on public sales of the property rights of some small state-owned industrial and commercial enterprises" and held the "provincial on-the-spot meeting on the sales and transfer of property rights," all localities in the province have attached great importance to property right sales and actively conducted experiments at enterprises of various categories. Some localities have begun to promote this work in large areas. By the end of 1993, 440 enterprises of various categories were sold, and, by the end of this September, another 328 enterprises sold their property rights. According to incomplete statistics, the province collected over 60 million yuan from selling state-owned assets and over 20 million yuan from selling collective assets, enlivening 180 million yuan worth of the existing assets. What is more encouraging, Jilin has again made a new stride in changing enterprises' operating mechanism after property right sales, further promoting the work to sell property rights. In summary, Jilin's sales of property rights and change of operating mechanism have effected the following new changes:

A. People have notably enhanced their awareness in the sales of property rights and change of the operating mechanism. In the course of practice, they have come to an increasingly clearer understanding that selling property rights is not privatization. Selling the public property in kind in a selective manner and recovering it in the form of value to circulate enterprises' existing assets in the market and maintain and increase their value in the course of the circulation is, in reality, expanding public ownership. In addition, circulating enterprises' property rights in the market helps invigorate state-owned economy and conforms to the objective needs in developing the socialist market economy. It not only helps recover the original value of the assets of state-owned enterprises in the form of money but also enables finance departments to issue no more subsidies and to avoid a decrease in tax revenues, thus promoting the optimal distribution of the major elements of assets and enterprises' entrance into the market.

B. A prominent change has taken shape in the scope of enterprises' property right sales. First, Jilin has not only



sold loss-making enterprises as it did in the past but also sold profit-making enterprises, not only the enterprises with poor efficiency but also the ones with fairly good efficiency. When discussing property right sales in the past, our major purpose was to unload the burden. Currently, whether enterprises' property rights are to be sold depends on the necessity as well as the market. Deeming it unnecessary to maintain the state ownership of their property rights, some enterprises may sell the property rights and use the funds in the areas that create better economic efficiency or the areas where funds are needed most. This is to say that not only loss-making enterprises but also profit-making enterprises may sell their property rights. Second, not only small enterprises but also large and medium-sized enterprises may sell property rights. Some fairly large enterprises in Jilin have been sold. One of them is the Siping No. 1 Construction Company, which is a large enterprise with net assets worth over 10 million yuan and fairly strong technology and equipment. Third, the units to which enterprises' property rights are sold have been expanded from those in the local areas to those in other provinces and to even foreign firms. According to incomplete statistics, 10 enterprises in Jilin have sold property rights to foreign firms.

C. Sales of property rights have been integrated with the change in the operating mechanism. Integrating enterprises' sales of property rights with the change of their operating mechanism marks an important breakthrough in the sales of enterprises conducted since the beginning of this year. It should be said that property rights sales are the means and not the purpose and that it is the invigoration of enterprises, promotion of development, and improvement of efficiency that are the basic targets of enterprise reform. The change in the ownership of enterprises after they are sold requires that their operating mechanism and organizational form be adjusted accordingly. A measure widely adopted at present is selling property rights to all staff members and workers of enterprises and then changing the enterprises into shareholding enterprises or shareholding partnership enterprises. Such a method of "selling first and transforming into a shareholding system later" is no longer a passive way of handling enterprises, but an active way to save them. It has not only resolved many difficulties resulting from the unemployment of staff members and workers and the provision of relief to retired personnel after the sales and the unbalanced state of mind of the staff members and workers, but it has also guaranteed the continuity and stability of production and business activities. This method, namely allowing all the staff members and workers to buy the property rights of the enterprises and instituting the shareholding system, which helps coordinate and restrict the enterprises' power of policy-making, direction, and supervision, reforms the management, distribution, and labor and personnel systems, and thoroughly changes the operating mechanism, can often save the enterprises on the brink

of bankruptcy, especially those that lack funds for production, do not know the direction along which their production lines should change, have no ways to merge with others, hold no promise of ending deficits, and cannot pay off their debts with their assets.

D. Enterprises' property rights sales have been integrated with the overall supporting reform. Although property rights sales are a specific measure for enterprise reform, it involves all areas of economic reform. They should be considered together, should be promoted together, and should be conducted in a coordinated manner. While selling enterprises' property rights, Jilin has also achieved notable progress in overall supportive reform this year.

First, we have made active efforts to build labor markets and held training for staff members and workers of the enterprises which were sold so that they can be reemployed. Some localities raised funds to build training bases themselves and were responsible for their own profits and losses. In this way, they have done a fairly good job in training the staff members and workers who lost their jobs and enabled all of them, except those who sought jobs themselves, to find reemployment, thus effectively promoting enterprises' property rights sales and social stability.

Second, we have paid attention to coordination and resolved the issue concerning the transfer of loans. Banks, in general, are the largest creditors of enterprises; and enterprises need to actively win the support of banks when selling property rights. In specific work, unresolved loans of enterprises that were sold, have been transferred after inspection by banks.

Third, land use rights have been resolved. Based on the land laws and regulations issued by the state and the province, all localities have formulated some specific preferential policies in conformity with local conditions to handle the land use rights involved in the property rights sales, thus ensuring the smooth transfer of property rights. Some localities have stipulated that when selling their property rights, enterprises may sell their land use rights if approved by land management departments. Land transfer fees are exempted when loss-making enterprises (whose assets roughly offset their debts) are bought as a whole and all staff members and workers (including retired ones) are taken over; land use rights may be transferred in the proportion of the part of the staff members and workers who are transferred; and state relevant regulations should be followed when selling property rights to overseas investors. These measures have promoted enterprises' property rights sales and ensured social stability.

E. The sales of enterprise property rights are being gradually standardized. The sales of enterprise rights follow market behaviors, therefore, they must be restricted by the market laws and need rational and legal transaction norms. In line with the demands of the relevant documents of the state and the provincial

authorities on the sales of enterprise property rights, all localities across the province have proceeded from their own reality, formulated norms and methods that conform to the actual situations, guaranteed that no losses will be incurred in the state-owned assets, and enabled enterprises to have laws to abide by and regulations to follow during their sales of enterprise property rights. The property rights markets are the inevitable demands and symbols of standardizing the sales of enterprise property rights. Since the beginning of this year, the province as a whole has put some property rights trading centers into operation.

II. We should realistically solve the problems which we have encountered in the work of selling the enterprise property rights and changing operational mechanisms.

Selling enterprise property rights and changing the operational mechanisms constitute a major move for combining reform with development through the reorganization and circulation of assets, resource allocation, readjustment of structures, and change of enterprise operational mechanism after enterprise reform has been deepened. The emergence of problems in understanding, systems, policies, practice, and society is unavoidable. These problems will inevitably crop up in the course of reform when the old systems are being replaced by the new. Therefore, in addition to looking squarely at these problems we should also conscientiously study and solve them.

A. We should do a good job in solving the issue of evaluating the assets and fixing their prices in the course of selling enterprise property rights. This issue is an important policy and technology issue and needs lots of work. Success or failure in this work will directly affect the success or failure in the sales of enterprise property rights. Judging from the present situation, there are several issues which we must further study and resolve in the course of evaluating the assets and fixing their prices: 1. Unified and standardized operational basis has not yet been formulated, the sales of enterprise property rights cannot be carried out in line with a unified policy, and there is no unified method for enterprise asset evaluation and price fixing, thus all these have affected the reliability of evaluation. 2. The efforts in organizing the implementation of this work are not adequate, thus making the progress of evaluating assets and fixing their prices remain relatively stagnant. 3. The unitary base prices for selling enterprises, the fairly rigid stipulations, and the failure in formulating different base prices in line with the present market situation; and the various demands of the buyers and in giving consideration to the settlement of workers, the land-use right, and other factors have resulted in a low sales rate. These problems have affected the sales of enterprise property rights and slowed down the pace of changing the mechanisms after the sales.

Actually, as long as we grasp the major principle while evaluating the assets and fixing the prices, some specific

issues can be resolved easily. First of all, we should uphold the principle of not causing losses to the state-owned assets. In the course of evaluating the assets and fixing the prices, we must seek truth from facts, and in addition to basing on the book value of the state-owned assets, also give consideration to various factors such as the actual market value of the assets in an effort to evaluate and determine a price that can be acceptable to both buyers and sellers. Second, it is necessary to define a flexible base selling price, give full consideration to the factor of enterprise debts and regard the net assets of enterprises as the basic sales prices.

At the same time, we should also give consideration to various factors, including how many original enterprises workers the buyer can take over, the funds which the buyer has to pay for retired workers and personnel, the investment situation of the enterprise to be bought by the buyer, the amount of bank loans to be repaid and the time limits for the repayment, properly adjust the basic selling price, and fix several base selling prices. By so doing, we will have a full basis for evaluating the assets and fixing the prices, enable the prices that have been fixed to stand still, and have a successful foundation for the sales of property rights. In specific implementation, when an enterprise sells its property rights, it must first be appraised and affirmed by the state-owned assets management department, and must sell it at the net price of the asset after the total debts have been deducted from the total asset. In the course of evaluating the asset, we must give consideration to various factors such as the hidden deficits of the enterprises to be sold, and must offset the deficits from the asset.

In addition, we must set aside a portion of the asset from the net asset and use it for paying the wages and medical funds of retired workers and workers suffered from industrial injury before the sale of the enterprise, and the money from the sale of this portion of asset will be mainly used for paying the aforementioned expenses. Other assets for living and welfare purposes can only be evaluated but are not for sales. Their state-owned property rights will be temporarily retained and placed under the management of enterprises which have been sold and have changed the operational mechanisms on a commission basis. State-owned enterprises whose capital cannot cover the debts when all the aforementioned items have been cut may also sell their assets for living purpose at a fixed price.

B. We should properly place staff members and workers after the enterprises' property rights are sold. The placement of staff members and workers poses a big problem after enterprises' property rights are sold. After enterprises are sold, it is impossible for the government to place the staff members and workers of the original enterprises in other enterprises in a unified manner. If these staff members and workers are left jobless, social insurance cannot bear the burden, and, besides, it is often the over staffed enterprises which are sold. If not handled well, this problem, which has a bearing on



whether the reform to sell enterprises' property rights will succeed, will directly affect social stability. For this reason, we must pay attention to this problem when selling property rights and advocate various measures to solve it.

First, all the property rights of an enterprise may be sold to its own staff members and workers. The staff members and workers of an enterprise may raise money to buy all or a part of state assets and establish a new limited liability company or a shareholding partnership enterprise. This not only helps the enterprise attain the goal of changing the mechanism but also helps resolve the difficulty in placing the staff members and workers.

Second, the property rights of an enterprise may be sold under certain conditions. That is, different prices may be fixed according to the different proportions of the staff members and workers the buyers want to place in order to encourage the buyers to take over the original staff members and workers of the enterprises.

Third, the small part of the staff members and workers who are not placed may enter the labor service markets and be handled by the social insurance departments.

Fourth, staff members and workers should be encouraged to find jobs on their own. If they want to establish new enterprises, industrial and commercial administrations should actively support them and allow them to register. Such enterprises may engage in diverse businesses while focusing on a major one. When jobless people establish enterprises individually or jointly, their income tax may be reduced or exempted when approved by tax departments, and their industrial and commercial unified tax may be reduced or exempted for a certain period. If these enterprises conform to the industrial policy, banks should support them by giving them loans.

Fifth, an experiment may be conducted with the "lump sum payment" for the length of service of staff members and workers. Based on their length of service, staff members and workers may be paid a certain amount of money once every year as a subsidy for leaving their jobs. These staff members and workers are to find the means of livelihood on their own, sever ties with the enterprises completely, and enjoy no social insurance. The money to subsidize them may be paid from the income from selling the property rights of the enterprises.

Sixth, when state-owned enterprises become private ones after selling their property rights, the status as personnel of state-owned enterprises of the staff members and workers of the original enterprises may remain unchanged in their records and is applied only when they are transferred. Property right buyers should pay for the old-age insurance and unemployment insurance premiums of the staff members and workers in full amount and on schedule; enterprises should sign labor contracts with staff members and workers, and they are not allowed to fire the staff members and workers wantonly;

and when the staff members and workers want to transfer to other units, they should be handled according to their original status.

C. We should solve well the debts receivable, debts payable, and problems left over in the history of the enterprises which are sold. Most of the enterprises sold currently are those whose assets are heavily in debt, whose assets cannot even pay off their debts, and which have many historical problems. These problems should be addressed when property rights are sold. Otherwise, they will be harmful to the property right sales and to the change of the mechanism of the new enterprises.

First, the problem on debts receivable and debts payable. In principle, all the debts receivable and debts payable of the enterprises to be sold should be taken care of by the buyers. They should be cleared up before property rights are sold. The bad debts that enterprises may have in their economic exchanges should be examined and verified. Concerning enterprises' debts payable, the largest creditors of enterprises are, in general, banks. How should we handle the loans enterprises owe banks? When enterprises are sold and legal persons changed, should the banks' debts receivable be allowed to transfer accordingly? Especially when the enterprises are sold to individuals, should the banks' debts receivable be transferred to the individuals? This is a specific problem emerging in property right sales. We should solve it well. As we are implementing the socialist market economy, enterprises' credibility depends totally on enterprises' ability to repay debts and has little to do with the ownership of the enterprises.

When enterprises, even state-owned ones, sustain deficits due to poor management and when their assets cannot cover their debts, their bank loans cannot be paid by the state with financial allocations. These enterprises should depend on themselves to pay their debts. As demanded by the market economy, the enterprises with a lot of strength will enjoy high credit prestige, no matter which they are, state-owned ones or private ones. When state-owned enterprises are sold to others because they are unable to pay their debts, they should be treated equally without discrimination by banks, regardless of the nature of their buyers, economic organizations or individuals, so long as they are able to transform their operational mechanism and to independently bear their civil responsibilities. Of course, banks should conduct appraisal of the reputation of new debtors. When a bank shifts creditor's rights from a state-owned enterprise being unable to pay its debts to a nonstate-owned enterprise being able to pay its debts, it should be clear at a glance to weigh the advantages and disadvantages. Therefore, banks must give positive support to the sales of property rights of enterprises.

Second, the problems of enterprises left over by history. If we refuse to cancel after verification the deficits already sustained by the sold enterprises, the latent deficits that are ascertained, and all other sorts of losses



of such enterprises, not only we are unable to retrieve losses, which will affect the sales of property rights of enterprises, but also we will probably lose the opportunity to enable the enterprises to make up for their own losses after they come back to vigor as a result of selling their property rights. Hence, both the financial departments and the state-owned assets management departments should set their sight further and join efforts to promote the sales of property rights of some enterprises. Generally speaking, the latent deficits of the sold enterprises, including bad debts, the losses from overstocked products, and the losses from fixed assets, should be deducted from the assets of enterprises after they are ascertained and recognized. The losses from the property on credit that are awaiting disposal, the losses that should be compensated, and the unpaid labor insurance premium covered by the unified planning should also be deducted from the assets of enterprises.

D. We should successfully resolve the problem with regard to the transfer of land use rights of the sold enterprises. When selling state-owned enterprises, we will always meet the problems concerning the transfer of land use rights. Successfully resolving this problem may mobilize the initiative in selling enterprises. The provincial authorities have already stipulated that when enterprises sell their property rights, their land use rights can be transferred with compensation after being approved by land management departments. The time limit to use the land can be decided in line with the relevant regulations of the state based on respective forms of purchase. According to such a general principle, there should be other different methods under specific circumstances.

First, the land use rights cannot only be transferred with compensation but also be leased or sold as shares. Second, towards the enterprises whose property rights are sold to their entire workers and staff members, towards the enterprises with especially grave difficulties, and towards the enterprises whose buyers have difficulties temporarily, the transferred land can be used, if approved, in the methods adopted by original enterprises within a set time limit. Third, towards the enterprises whose land use rights are sold with compensation, land management departments should give appropriate reduction, exemption, and preferential treatment to the transfer prices based on the situations of enterprises. Fourth, if buyers of land are state-owned enterprises, the land transfer prices can be exempt or be put on credit of finance, and the prices can be gradually repaid when enterprises' efficiency becomes good. Fifth, for the land transfer prices that are relatively great in amount, the time limit of land transfer can be shortened appropriately, and the land transfer prices can be reduced accordingly. For the enterprises suffering grave losses and having difficulties in paying wages, the service charge for changing the names of the owners in a register can be reduced or exempted. In sum, land management departments should try their best to reduce enterprises' expenditures on this regard on the premise of not violating state policies.

E. We should use well the income from selling enterprises' property rights. The ownership of the assets of state-owned enterprises belongs to the state, and the income from selling enterprises' property rights belongs to the state. Concerning the income from selling the property rights of state-owned enterprises, therefore, we should strictly enforce the "regulations on the supervision and management of the property of state-owned enterprises" issued by the State Council and allow no departments and no units, except those authorized by the State Council, to withhold and dispose of the income at their own will. The income from selling the property rights of state-owned enterprises should be used to maintain and increase the value of state-owned assets. Jilin's income from selling the property rights of state-owned enterprises should be used particularly to reinvest in state-owned assets.

First, the income from selling the enterprises which conform to the industrial policy and which need to be supported and developed may be used, totally or partly, as loans to be reinvested in the enterprises. Interest may be collected at a proper rate. Second, the income from selling property rights may be pooled and used in a unified manner. It may be regarded as funds to be reinvested in state-owned assets and used in the enterprises that urgently need to be developed so as to maintain and increase the value of state-owned assets.

3. We should emancipate the mind, seize the opportunity, and strive for a new breakthrough in enterprises' sales of property rights and change of operating mechanism.

Enterprises' sales of property rights and change of operating mechanism is the work which involves extensive reform measures, wide range of fields, and implementation of policies, concerning not only the adjustment of relations between various sectors in terms of ownership but also social security such as placement of staff members and workers. To accelerate this reform in an active, prudent, healthy, and orderly manner, we need to enhance understanding and promote the work in organization, implementation, coordination, and service.

A. We should further enhance the sense of reform. A conspicuous problem affecting enterprises' current sales of property rights and change of operating mechanism is the lack of unified understanding on how to invigorate state-owned enterprises. Some people seem to think that to invigorate state-owned enterprises, all state-owned enterprises should be invigorated. This is a lop-sided and unrealistic understanding. State-owned enterprises, like other enterprises, should also follow the principle of competition in the condition of the market economy, and those superior should be selected and those inferior eliminated. Some localities put forward a clear "two-polar strategy" to be applied to state-owned enterprises, namely to adopt every means to revive and resolutely retain the enterprises that conform to specific local conditions and have their advantages and favorable

conditions, and to eliminate, to "put to death," as soon as possible those which are incompatible with the industrial policy, lack advantages and competitive edges, and are mismanaged. Only by "reviving" some of the existing state-owned enterprises and "putting to death" the others can we truly upgrade the quality and competitive edges of state-owned assets. To put some enterprises to death, bankruptcy is one method, and selling assets to retain no more the substantial form of state-owned assets is another. Those put to death no longer exist as state-owned enterprises, but, to the society, new enterprises full of vigor and vitality again emerge. Therefore, the sales and transfer of the state-owned assets of some enterprises, in essence, is meant to improve state-owned enterprises, and is an important way to upgrade the quality and competitive edges of the state-owned economy in terms of assets.

One reason for our failure to adjust the structure in the past, which we had urged for many years, was that we failed to realize the adjustment through the circulation and reorganization of assets. Many coastal areas have started such adjustment on a large scale and in all directions. We should catch up with this reform step and improve the on-going sales of property rights and change of mechanism. As we have more state-owned enterprises than coastal areas, we may strive for a success in transferring more capital and win large amounts of funds to create advantages for Jilin. This is a rare opportunity, and we should seize it firmly and use it successfully.

B. We should extensively promote the sales of property rights and the change of operational mechanism of enterprises in a planned and step-by-step manner. First, we should pay attention to planning. We should analyze the structure of the capital of enterprises by proceeding from the overall situation of economic development and from market demands. We should not consider the sales of assets as the matter of the enterprises running at a loss and the enterprises whose output value cannot cover their debts. It should be noted that all enterprises are faced with the matter of reorganizing their assets. So long as an enterprise is required to transfer its capital when viewed from the structural readjustment, it should be bold in making plans for transfer. Some may transfer all their capital, and some may transfer part of their capital. Shareholding enterprises may also consider transferring the ownership of their stocks, and the ownership of their stocks may be transferred to their workers and staff, to individuals, to legal entities, and to foreign traders. Enterprises of a competitive trade may sell their property rights, basic industries may also sell their property rights after being approved. In this aspect, plans should be comprehensive, the direction of readjustment should be definite, and measures should be practical.

C. We should exert efforts in changing operational mechanism. The ultimate purpose of the sales of enterprises is to change the operational mechanism of enterprises with a view to invigorating enterprises and improving economic efficiency. Hence, in doing this

work, we must insist on selling property rights and changing operational mechanism simultaneously. By changing the mechanism here, we primarily mean changing to the shareholding system, the shareholding cooperative system, Sino-foreign joint ventures, and private enterprises. When changing to shareholding enterprises, we should act according to the "corporate law," the "Jilin Provincial provisional regulations on shareholding cooperative system of urban collective enterprises," and some other regulations and documents transmitted by the provincial government. The enterprises changed to shareholding ones should set up the board of shareholders, the board of supervisors, the board of directors, and the layer of managers according to demands and standards. These enterprises should focus on carrying out the reform of employment, personnel, and income distribution systems and should truly establish new mechanisms and new systems that meet the demands of the market economy.

D. We should make concerted efforts to achieve success in selling property rights and changing operational mechanism of enterprises. The sales of property rights and the change of operational mechanism need the close coordination of the departments in charge of economic restructuring, state-owned assets, land, industry and commerce, labor, banks, and insurance. Therefore, we should strengthen leadership, define responsibilities, and form a concerted force. Economic restructuring departments should pay more attention to organizing, standardizing, and giving policy guidance to the sales of property rights. Various departments concerned should closely coordinate with each other, communicate with each other, give more guidances to each other, and jointly study how to utilize present policies to promote the sales of property rights and the change of operational mechanism of state-owned enterprises. They should never obstruct this work. They should discuss how to resolve the difficulties and problems they face proceeding from the overall situation and from the endeavor of invigorating enterprises and assets. Enterprises are the cells of the entire economy. Invigorating enterprises is conducive to the overall situation as well as to respective departments. This is the fundamental truth.

In conducting specific operation, government departments should pay attention to grasping the following several policies and principles: First, the scale of the enterprises on sale should be clearly delimited. The sales of property rights should be made public and be conducted on markets. But, in selling property rights of enterprises, their workers and staff members should be given priority. Second, the formalities to examine and approve the sales of enterprises' property rights should be controlled strictly, and no departments are allowed to surpass the immediate leadership to examine and approve the sales (transfer) of property rights of enterprises. Third, enterprises on sale should undergo strict appraisal of assets, and reasonable bottom prices should be set for the property rights of the enterprises on sale



(on transfer). The real transacted prices should be realized amid competitive prices. Or, property rights may be transferred based on agreements.

Fourth, proper arrangements should be made for the employment of workers and staff members of the enterprises that are sold, and attention should be paid to doing the social insurance work well with a view to making each worker is in his proper place. Fifth, examination and approval procedures for the use of land should be carried out strictly, and the land use prices should be defined reasonably. Sixth, the earnings from the sales (transfer) of property rights of enterprises should be collected in a timely manner, with their reasonable utilization being guaranteed by laws. Successfully grasping the aforementioned principles, we will be able to boldly operate and go all out to carry out the sales of property rights of enterprises.

#### Jilin Investigates Major Corruption Cases

SK1611095294 Changchun JILIN RIBAO in Chinese  
28 Oct 94 p 1

[By reporters Wang Junlin (3769 0193 2651) and Wang Desheng (3769 1795 0524): "The Jilin Provincial Discipline Inspection Commission and Supervisory Department's Notice on Investigating and Handling Four Major Economic Cases"]

[FBIS Translated Text] A few days ago, the provincial discipline inspection commission and the provincial supervisory department issued a notice on strictly handling four major economically unlawful and undisciplined cases relating to Xue Jingwen, former vice president of the provincial trade union council; Chen Fuchun, former deputy director of the organizational department of the Jilin city party committee; Wang Wenming, former deputy director of the Songyuan city scientific and technological bureau; and Zang Zhuliang, former standing committee member of the Tonghua County party committee and former deputy head of the county.

With the concern and support of the provincial party committee and government, the provincial discipline inspection commission and the provincial supervisory department worked closely in cooperation with each other and investigated and handled the major corruption, bribery, and hooligan case relating to Xue Jingwen, former vice president of the provincial trade union council. While working as the director of Shixian paper-making mill from 1990 to February 1993, Xue Jingwen, taking advantage of his post and powers, embezzled 140,237 yuan worth of public funds and materials and accepted bribes valued at 18,872 yuan. Besides, from 1989, he wantonly had licentious relations with nine women successively on many occasions and also produced his sexually promiscuous behaviors into obscene videotapes. The Changchun City Intermediate People's Court sentenced him to imprisonment for life for the crimes of corruption, bribery, and hooliganism. With the

approvals of the provincial party committee, the provincial discipline inspection commission decided to expel Xue Jingwen from the party and to discharge him from public employment.

Together with the supervisory organ, the Jilin City Discipline Inspection Commission investigated and handled the case that Chen Fuchun, former deputy director of the organizational department of the city party committee, embezzled public funds in the course of helping sell vehicles. Chen Fuchun took on the post as the former mayor of Huadian City. In August 1992, he was appointed as deputy director of the organizational department of the Jilin City Party Committee. In September 1992, the Huadian City Foreign Economic Committee asked him to help sell two "Wulaer" sedan cars, each being priced 115,000 yuan. In April 1993, Chen got acquainted with a clerk of Xian city's Tongda supply company and sold these two cars to this clerk, each being priced 145,000 yuan. The Tongda supply company approved to buy these two cars. These two persons got 60,000 yuan of public funds by making forged receipts, of which Chen Fuchun got 27,000 yuan. The judicial organ sentenced Chen Fuchun to six years' imprisonment. With the approval of the Jilin City Party Committee, the city discipline inspection commission decided to expel Chen Fuchun from the party and to discharge him from public employment.

Together with the procuratorial organ, the Songyuan City Discipline Inspection Commission and supervisory bureau investigated and handled the case that Wang Wenming, former deputy director of the Songyuan city scientific and technological bureau, embezzled public funds in the course of helping purchase vehicles. When taking on a job at the Songyuan city scientific and technological bureau, he led a driver to purchase a car in Shenyang for the unit; he belonged to on 19 February 1993. Through the assistance of Wang's relatives, he got in touch with a retired cadre surnamed Zhang, who had been retired from the production department of the logistics department of the Shenyang Military Region; and purchased an "Audi" sedan car from him at a price of 205,000 yuan. Zhang gave Wang a blank vehicle purchase receipt and a blank receipt for additional taxes for vehicle purchase. After returning to Songyuan, Wang wrote these two receipts respectively in 224,800 yuan and 33,300 yuan and gained 53,100 yuan of public funds, of which Wang embezzled 50,000 yuan. The judicial organ sentenced Wang to eight years' imprisonment. With the approval of the Songyuan city party committee, the city discipline inspection commission decided to expel Wang Wenming from the party, and the city government approved to discharge him from the public employment.

In cooperation with the procuratorial organ, the Tonghua City Discipline Inspection Commission and supervisory bureau investigated and handled a corruption and bribe-accepting case relating to Zang Zhuliang, former standing committee member of the Tonghua County



Party Committee and deputy head of the county. When working as secretary of the Xinglin township party committee of Tonghua County in October 1988, he organized some township cadres and used the county forestry station's 100,000 yuan to purchase a lot of ginseng. They processed and sold the ginseng to the county local product company. On 21 October 1988, Zang gained 9,179 yuan from the company and privately deposited the money. On 10 December 1988, Zang asked Liu, director of Xinglin township ginseng farm, to write two counterfeit receipts valued at 12,721 yuan and 9,179 yuan. On 13 December 1988, ganged up with Yuan, accountant of the township banking division, and in the name of paying for ginseng, Zang transferred 12,721 yuan from the accounts of the banking division to the township forestry station and drew the money. They shared the money, including 9,179 yuan in Zang's hands. Zang gained 9,900 yuan; Yuan, 6,000 yuan; and Liu, 3,000 yuan. They sent 3,000 yuan to Liu, chairman of the township enterprise office.

In October 1988, Zang appropriated 4,000 yuan from another deal of ginseng. Zang also asked 6,000 yuan from the township special product company. Zang totally gained 19,900 yuan by means of corruption and bribery. The judicial organ sentenced Zang Zhuliang to eight years' imprisonment. With the approval of the Tonghua City Party Committee, the city discipline inspection commission decided to expel him from the party. The city government approved to discharge him from public employment.

The notice points out: Xue Jingwen, Chen Fuchun, Wang Wenming, and Zhang Zhuliang were party-member leading cadres at or above the county and section level. We must draw a deep lesson from their degeneration, corruption, and bribery criminal activities. The party organizations at various levels and the broad masses of party members, particularly party-member leading cadres, must take warning. The notice stresses: The more we conduct reform, open the country to the outside world, and develop the market economy, the more we should pay attention to solving the unlawful and undisciplined problems in the economic sphere, the more we should strictly enforce party disciplines and state laws, and the more we should educate party-member cadres to withdraw new tests. Under the new circumstances, party-member leading cadres must intensify the awareness of administrative honesty and self-discipline and always be the people's public servants. Simultaneously, communist party members must consciously transform their world outlook and enhance the ability in resisting the influence of corrosive ideas. Representatives of enterprise legal persons must accept supervision and accurately exercise their functions. We should perfect the mechanism for supervising and restricting leading cadres and prevent them from wantonly using their powers.

### 'Fledgling' Liaoning Port Sees Growing Activity

OW1311145594 Beijing XINHUA in English 1403  
GMT 13 Nov 94

[FBIS Transcribed Text] Shenyang, November 13 (XINHUA)—Jinzhou port, a fledgling port in northeast China's Liaoning Province, handled some 830,000 tons of cargo in the first half of this year, which was a marked increase over the same 1993 period, a port official said.

Jinzhou started to build the port in 1986 as part of its effort to open itself wider and faster to the rest of the world.

The port was built at a cost of some 27 million yuan (3.1 million U.S. dollars), which was pooled locally. It went into commercial operation in 1990 and became the youngest port of China.

Jinzhou port has, in the past few years, bolstered infrastructural port facilities and beefed up multi-purpose port services by setting up 24 industrial, commercial and service enterprises, which produce an annual output value of some 119 million yuan (13.6 million U.S. dollars).

According to the official, Jinzhou port has set up ten offices in Chifeng, Tongliao, Harbin, Fuxin and a number of other Chinese cities.

Furthermore, it has also forged trade ties with more than 20 countries and regions, including the Republic of Korea, Japan and some Southeastern Asian nations.

In cooperation with Daqing Petrochemical Corporation and Jinzhou Petrochemical Cooperation, two major Chinese petrochemical businesses, Jinzhou port has invested 920 million yuan (105 million U.S. dollars) to establish the Jinzhou Port Joint-Stock Co. Ltd. in January last year. It is the largest joint-stock company so far registered in northeast China.

### Shenzhen Science, Technology Firms Increase

OW1511124894 Beijing XINHUA in English 1059  
GMT 15 Nov 94

[FBIS Transcribed Text] Shenzhen, November 15 (XINHUA)—The number of non-governmental science and technology firms in south China's Shenzhen Special Economic Zone has shown a sizable increase since the local government promulgated a series of preferential policies for the manufacturing of value-added products.

So far, the city has 410 non-governmental science and technology undertakings, 75 percent of which are engaged in the production of computers, communication apparatus, meters and instruments, and bio-engineering and micro-electronic products.

According to the departments concerned, the industrial output value of these non-governmental enterprises is expected to reach 1.3 billion yuan by the end of this year, a 30 percent increase over the same period of last year.

To survive in the fierce market competition, these enterprises introduced patented technology, developed new and high-tech products and commercialized research findings within the shortest possible period of time.

To date, non-governmental firms in Shenzhen hold over 200 patents. Many of their research findings have been rewarded by the state, provincial government or foreign institutions.

The Huawei Technology Co. Ltd gained an industrial output value of 300 million yuan last year. It has established a research and development center in the U.S. to obtain feedback on its products and get the latest information and technology in the field.

### Northwest Region

#### Xinjiang's Wang Lequan Addresses CPC Committee

OW1611115494 Urumqi XINJIANG RIBAO in Chinese  
27 Oct 94 pp 1,3

[By reporter He Ruilan (0149 3843 5695)]

[FBIS Translated Text] Wang Lequan, acting secretary of the Xinjiang Uygur Autonomous Regional CPC Committee, made specific arrangements for the remaining two months of this year and for next year at the Seventh Full (enlarged) Session of the fourth regional CPC Committee held on 25 October. He called on all levels of party committees in Xinjiang to resolutely and unquestioningly implement the guidelines set forth at the Fourth Plenary Session of the 14th CPC Central Committee, to further enhance and improve party building, and to work toward consolidating and developing the excellent situation in Xinjiang by uniting and providing leadership to all nationalities in Xinjiang.

For the next two months, Wang Lequan pointed out the need for all the people in Xinjiang to take the guidelines set forth at the Fourth Plenary Session of the 14th CPC Central Committee as a driving force, to further mobilize the initiative and creativity of cadres and the masses of all nationalities, and to arrange well all areas of work centering on fulfilling the national economic plan formulated by the autonomous region early this year. First, it is necessary to step up and do a good job in winter water conservation work, and in repairing irrigation works damaged by floods in particular. At the same time, the animal husbandry sector needs to do a good preparatory job of disaster-prevention and disaster-relief, store a sufficient amount of animal feed in areas which are frequently hit by disasters, and take good care of herdsman. It should arrange technical courses for farmers and herdsmen and provide them with technological training during the slack winter farming season. Second, it is necessary to strive to do a good job in farm sideline product procurement. Grain departments must fulfill grain procurement quotas and should procure more grain and oil-bearing crops, exceeding set quotas so

as to increase reserves and ensure a balance in supply and demand. All levels of party and government leaders must genuinely assume the responsibility of maintaining grain, cotton, oil-bearing crop procurement, marketing, and transportation order. Banking and financial departments should seek ways to ensure the timely supply of enough funds for farm sideline product procurement and resolutely eliminate the practice of issuing "IOUs." Third, it is necessary to ensure the full-speed production of light industry, which uses farm sideline products as raw materials, to effectively market industrial products, to accelerate the pace of recouping investment, and to bring about the virtual operation of industrial production. Fourth, it is necessary to stress trade conducted through foreign exchange settlement and to promote border trade, to strive to increase exports, and to work hard toward fulfilling this year's import plan. Fifth, it is necessary to enhance management over tax collection, to do a good job on generally overseeing tax collection and finance, and to ensure the overfulfillment of revenue income. In addition to clearing up enterprises' debts, we must make genuine efforts to collect personal regulatory taxes and to reduce cases of tax evasion. We need to strictly control expenditures and to cut all forms of extravagance and waste. Sixth, it is necessary to strengthen control over commodity prices, to ensure an adequate supply of vegetables to urban citizens, and to keep price rises under control. Seventh, it is necessary to further do a good job on macroeconomic regulation and control and production adjustment. Special efforts should be exerted to secure funds and raw material supplies, to arrange good transportation, and to increase industrial production.

Wang Lequan pointed out that, as next year will be the autonomous region's 40th founding anniversary as well as the last year of the Eighth Five-Year plan, doing a good job in next year's work is of great significance. He called for doing a good job in following eight areas in a down-to-earth manner.

#### 1. Further Enhance the Basic Status of Agriculture in the National Economy

Steady and appropriate readjustment of the crop planting structure is needed in line with the principle of steadying grain production and of increasing cotton production. To ensure that next year's gross grain output reaches over 7 million tonnes, the area sown with grain in Xinjiang should not be lower than 24 million mu. The increase in cotton production should never be achieved by relying on the expansion of sowing acreage, let alone at the expense of grain production; instead, efforts should be made to raise per unit yield. It is necessary to make the best use of favorable opportunities presented by abundant plant-growing resources and by strong market demands to greatly develop the animal husbandry sector in farming regions. Localities are urged to adopt appropriate policies, to give financial support, and to provide pre- and post-production services to farmers simultaneously engaging in farming and animal husbandry operation. At the same time, it is necessary to



help herdsmen lead a settled life, help them engage in raising livestock, and in branching out to diverse operations. Great efforts should be directed at carrying out farmland infrastructure construction, centering on irrigation works and improving agricultural production conditions. The pace of key water conservation projects now under construction should also be stepped up. At the same time, preparatory work for key water conservancy projects under planning should be stepped up to expedite their early startup date. Great attention should be devoted to water conservation through water leakage prevention, promotion of new irrigation technology, and enhanced management. Social forces should be mobilized to run water conservancy works. Strong and effective supportive measures should be worked out for agriculture. It is necessary to ensure the implementation of various farming policies and other complementary measures. Farmers' enthusiasm for production should be encouraged. Localities and departments must unquestioningly enforce the policies and stipulations worked out by the central government and the autonomous region on lightening farmer' burdens, protecting their interests, and developing agricultural production. Greater investment in science and technology is needed to bring about the revitalization of the agriculture.

## **2. Accelerate the Pace of the Development of Industrial Production Through Enhancing Management and Readjusting Structure**

Enterprises should accelerate the pace of retooling and of readjusting product mix. Governments from the autonomous region level down to prefectural and city levels must all work harder to raise the technological level. When carrying out the retooling process, we must start from a high starting point and aim for a high technological level. Particular attention should be paid to searching for new ways of technological transformation. Xinjiang should stress the readjustment of the product structure of cotton spinning, wool spinning, fur, and foodstuff industries because Xinjiang has abundant raw materials for those sectors. It is necessary to develop a number of top products with superior quality, high added value, bright market prospects, and with Xinjiang's characteristics. Basic management should be enhanced and enterprises' internal potential should be fully tapped. Taking into consideration the present state of enterprise management in Xinjiang, we should focus on raising the quality of management personnel, staff members, and workers, as well as the basic management level. Efforts are needed to deepen enterprise reform, with the emphasis placed on building a modern enterprise system. Starting next year, we will treat the deepening reform of state-owned enterprises as the economic structural reform's important task. Work style should be changed to enhance leadership and coordination over industrial production. All levels of departments, leaders who are in charge of enterprise supervision in particular, must change their work styles, visit grass-roots units, work at the production front lines, help foster the trend

of carrying out investigation and study, and help enterprises solve problems in a timely manner. The pace of development for village and township enterprises must be accelerated. Development of village and township enterprises should adhere to the policy of giving active support, working out rational plans, providing correct guidance, and enhancing management, giving play to market forces, stressing resource development, and accelerating the development of rural industry.

## **3. Enhance Key Project Construction and Maintain an Appropriate Growth in Fixed Asset Investment**

The general guiding ideology for fixed asset investment is as follows. While striving to do a good job in infrastructure construction, we will devote great efforts to developing entrenched processing industries by utilizing the abundant resources in Xinjiang, and to gradually help build up a number of superior industrial sectors and enterprises so that they will help bring about the overall development of the national economy.

## **4. Accelerate the Pace of Foreign Trade Development and Attract Businessmen To Invest in Xinjiang**

As the present international market is favorable to Xinjiang, we should seize this opportunity, step up the export drive, and further develop the good momentum in trade which is conducted in the form of foreign exchange settlement. Enterprises involved in border trade should, in line with market demands, expand their scope of operation, raise the quality of their staffs, and engage in multilateral, multilevel, and multichannel trade activities. Effective efforts should be made to attract more foreign funds; to run Sino-foreign joint ventures, cooperative enterprises, and wholly foreign-owned enterprises which are export-oriented and which engage in processing materials for export in such a way as to raise their level of attracting foreign investment; to take Sino-foreign joint ventures, cooperative enterprises, and wholly foreign-owned enterprises to Xinjiang to new heights; and to accelerate the development of an export-oriented economy.

## **5. Make Great Efforts To Ensure the Basic Stability of Commodity Prices**

All levels of party and government leaders should be fully aware of the fact that the issue of commodity prices is a major issue that has a bearing on the people's daily lives, on economic development, and on social stability in particular. As it is a major issue, we should never treat this issue lightly under any circumstances. We will adopt forceful measures to resolutely curb the rise in commodity prices. We will attach a high degree of importance to building the "vegetable basket" project and to ensuring the constant increase in the effective supply. Localities should, taking local conditions into account, establish a "nonstable food risk fund" and a classified farm product reserve system so as to enhance local governments' regulatory and control capability over market and production. At the same time, it is necessary



to enhance management over market and commodity prices and to establish a good market order. Efforts should be made to greatly reduce the number of agencies involved in distribution and to encourage the farmers to directly sell farm sideline products to urban citizens. We will enhance supervision over commodity prices and severely crack down on speculation in the distribution sector.

**6. Step Up Formulating the National Economic and Social Development Plan for 1995 and Do a Good Preparatory Job on Formulating the Ninth Five-Year Plan**

**7. Do Concrete, Good Things for all Nationalities To Mark the 40th Founding Anniversary of the Autonomous Region**

We should first do a good job in establishing health care centers in rural areas, so that there will be health care centers in all villages by the time we mark the 40th founding anniversary of the autonomous region. Second,

we should do a good job in the water diversion project in farming and pastoral areas. Third, we should help solve the problem of electric supply for counties that still lack sufficient electricity.

**8. Continued Emphasis Will Be Given to the Stability Work**

It is necessary to maintain a high sense of vigilance and to severely crack down on various subversive and sabotage activities. We will enhance management over religious affairs according to law. We will actively and appropriately handle well various kinds of "hot point" issues. Continued efforts will be made to carry out an in-depth struggle against serious crimes. We will comprehensively promote the comprehensive management of social order. All levels of party and government departments are urged to render great support to judicial departments, to help them solve difficulties, and to help them do their jobs better and perform their duties.

**Further Reportage on Taiwan Army Shelling of Xiamen****Report From Village Hit by Shells***HK1611054294 Hong Kong WEN WEI PO in Chinese  
16 Nov 94 p A2*

["Special report" by staff reporter: "What Is the Purpose of the Shelling by Taiwan Troops?—A Visit to the Scene of the Bombardment in Xiamen"]

[FBIS Translated Text] Xiamen, 15 Nov—On 14 November, the Kuomintang garrison in Little Quemoy fired a dozen shells, which landed on Tatou, Huangxi Village, in the suburbs of Xiamen, causing injuries and loss of property. This is the first shelling of one side by the other since the end of the 20-year "artillery action" from the winter of 1958 to New Year's Day of 1979, and this incident has caused concern among the people.

People are primarily concerned about the injuries and damage to property caused by the shelling. According to the information provided by Xiamen, Tatou—in Huangxi Village—is a small village settlement on the east coast of Xiamen Island; it is only 4,000 meters from Little Quemoy, and a good place for outings and for resting, as well as a site for industrial development in Xiamen's Siming District.

**Shells Landed on Construction Site**

At 1040 on 14 November, a dozen shells, fired from Little Quemoy, landed in the village, and the deafening sound of explosions destroyed the tranquility in this place of farms and fields....

In front of a factory building that was under construction, several porters were being led by Lin Baisheng, a truck owner, to move some boards from a walking tractor. Suddenly, explosions as loud as thunder started, and smoke burst in the air and on top of the building. Zhao Bangming and Yang Zhengsan, two workers from Sichuan, and Zhuang Yajiang, a local worker, fell to the ground. Zhao's head and leg were hit by shell fragments, Yang's left heel and Zhuang's right leg also were hurt. The walking tractor was blown to pieces, and the factory building was full of shell holes.

At the same time, a woman worker from Jiangxi was cooking lunch in a makeshift stall behind the building, and her shoulder was hit by shrapnel.

**Shrapnel From Antiaircraft Guns Embedded in Wall**

Ten minutes later, another batch of shells landed at Ghost Trench, one kilometer from the construction site. Although Ghost Trench is not a nice name, it has beautiful scenery. It has an "orchard for visitors" and some beautiful cottages. The shells from Little Quemoy destroyed a cottage belonging to the Lins, who raise fish in a reservoir here. The glass in the cottage was all shattered, the wooden wall was full of holes, and more than 10 pieces of shrapnel are still embedded in the wall.

Mainland military personnel inspected the shrapnel and fuse, and estimated that these were antiaircraft shells capable of exploding twice; they said the shells could come from American-made type 40 antiaircraft guns. On the spot, the detonators of nine unexploded shells carried the words "June 1953," the date the shells were manufactured.

The Taiwan side claimed that the landing of shells in Xiamen was an incident of mistaken shooting caused by improper operation during training. People generally think that such an explanation is not tenable. A Taiwan businessman named Chen, who has invested in Xiamen, said that although Taiwan's military had frequent accidents during trial flights of fighter planes and trial firing of missiles, it was impossible for two mistakes to be made at a 10-minute interval, in which dozens of shells were fired. The background against which this incident took place was complicated.

**Taiwan Businessmen Think It Is a "Political Gun"**

According to Mr. Wang, a Taiwan businessman who runs a factory in Fuzhou's Fuxing Investment Zone, the gun used in Little Quemoy this time was not a "military gun," but a "political gun." He thought the incident was linked to the Democratic Progressive Party's proposal on withdrawing troops from Quemoy and Matsu, and to Li Teng-hui's being blocked from attending the Asia-Pacific Economic Cooperation forum. Taiwan wanted to use the sound of guns to cover its independence intentions, and to tell the world of its existence.

A senior scholar in Fujian, who studies cross-strait relations, thinks that the contemporary international situation and current cross-strait relations are different from those in 1958. Removing prejudice and seeking development together are the main current in relations between the two sides of the strait; the economic factor plays an important role in the cross-strait relations; and in a certain sense, the economies on the two sides of the strait already have entered a state of mutual dependence. Such a state never can be shaken by a few shells.

At present, the wounded are being treated at Xiamen University Hospital and at the Xiamen City No. 1 Hospital. Xiamen is peaceful following the incident, and the people are living and working as usual. The villagers at Tatou said: The incident resembled a nightmare. We highly cherish peace and tranquility, and we do not want to see our beautiful homes destroyed.

**Editorial Urges Compensation by Taiwan***HK1611095694 Hong Kong WEN WEI PO in Chinese  
16 Nov 94 p a2*

[Editorial: "Taiwan Must Apologize and Compensate For the Shelling Incident"]

[FBIS Translated Text] A spokesman from the Taiwan Affairs Office of the State Council has made a statement on the shelling of Xiamen by the Taiwan authorities'

troops stationed in Xiao Jinmen [Little Quemoy], in which residents were killed and injured in the incident. Pointing out that it is a vicious [e xing 1921 1840] incident jeopardizing the peaceful atmosphere across the strait, the spokesman demanded that the Taiwan authorities swiftly ascertain the facts, make them public, and severely punish the persons responsible for the incident.

On the day the incident took place, a spokesman from the Taiwan Army Headquarters said that the troops stationed in Jinmen did conduct "a routine shooting training of artillerymen" and fired shells in the direction of the mainland. The following day, Taiwan's "Ministry of National Defense" immediately modified its previous remarks and said that the troops stationed in Xiao Jinmen chose Binglang Islet near to Xiamen for a test firing of the highly explosive shells after being repaired in the 04 Artillery Base so as to avoid the sea-lane for civilian use. If villagers on the mainland are really affected, Taiwan's "Ministry of National Defense" is willing to take responsibility for it.

This way of covering up the facts and shirking responsibility is extremely disgusting. As everyone knows, the relations between the two sides of the strait have moved toward the stage of detente and this conforms to historical trends and enjoys wide popular support. However, in the last six months, Taiwan has taken a series of moves designed to worsen cross-strait relations, connived at the surging "Taiwan independence" waves while pursuing "money diplomacy" and "transit diplomacy" in the international community in an attempt to create "two Chinas" and "one China, one Taiwan." The incident of shelling Xiamen by the troops stationed in Xiao Jinmen is, in fact, also a tactic adopted to poison cross-strait relations.

First, against the historical background that the people on both sides of the strait demand to push the relations between the two sides of the Taiwan Strait toward the stage of detente, the aiming of cannons at Xiamen, be it a test firing or an exercise, is an act of military provocation.

Second, Huangcuo Village and Tatouzirang Village in Xiamen were hit by a dozen shells in a 10-minute continuous barrage. The Taiwan military also acknowledged that when firing shells, they observed and monitored the flying direction of the shells. When discovering that their shells would endanger the residents, the observing officer should have stopped firing immediately. However, the Taiwan troops intentionally let the "accident" last for 10 minutes and a dozen shells exploded on the roofs of village houses. Obviously, this is a deliberate vicious incident rather than an "accident."

Third, Xiao Jinmen and Xiamen are just 4,000 meters away from each other. No boom of cannons has ever been heard for the last 10 years or so. Why do they conduct shooting exercises and direct their cannons at the mainland now? The change in policy itself has shown that they intentionally created an incident and did not

cherish, in the slightest degree, the atmosphere of detente which has lasted for nearly 10 years or so.

Fourth, the troops stationed in Jinmen have shot to death mainland's fishermen many times. The current shelling of Xiamen, which is 4,000 meters away from Xiao Jinmen, is an act of utter disregard for human life. The Taiwan authorities remarked: The firing direction was changed to the west from the south for the sake of the safety of civilian aircraft. This statement is quite barbaric. Is there actually not the question of safety of human life and the question of civilian aviation safety when cannons are directed at Xiamen? Even though there is the question of civil aviation safety, is human life on the mainland worth nothing?

Fifth, the shelling incident itself is an act jeopardizing cross-strait relations, and since it caused deaths and injuries among ordinary people on the mainland, it is all the more a grave incident. This act is of an extremely serious adventurist nature. Even that cannon shooting training is conducted on the island of Taiwan, there are strict stipulations on the control of firing sites and direction and cannons shall definitely not be directed at densely populated residential areas. It is very difficult to dismiss the current vicious incident as a "mistake shooting." It is the product of the numerous activities Taiwan has conducted to worsen cross-strait relations.

Entrusting the Straits Exchange Foundation [SEF], Taiwan's "Ministry of National Defense" stated: After a further investigation, we will write a letter to the mainland as quickly as possible and if villagers on the mainland are really affected, we are willing to take responsibility for the incident.

The "mistake shooting" argument can hardly hold water. Persisting in denying can only prove that Taiwan shows no signs of repentance. If the Taiwan authorities are sincere in maintaining the atmosphere of detente across the strait, they should make public the truth of the current vicious incident, apologize to the mainland authorities, ensure that no similar incidents will happen in the future and they will not open fire without good reason at the mainland's fishing ships and fishermen causing deaths and injuries among them, and severely punish the persons responsible for the incident. The SEF should also make arrangements as soon as possible to compensate the injured and the houses of the residents which were hit by shell splinters.

#### **'Preferential' Treatment Given to Taiwan Investors**

HK1611124994 Beijing ZHONGGUO XINWEN SHE  
in English 1134 GMT 16 Nov 94

[FBIS Transcribed Text] Beijing, November 16 (CNS)—The Beijing municipal government is now trying its best to draw in Taiwan investment and promising that Taiwan businessmen will enjoy preferential and special treatment including reduction of charges on the use of



land, the running of retail business, issuance of bonds and establishment of financial institutions.

Regulations regarding encouragement of Taiwan investment promulgated recently by the Beijing municipal government stated that land allocated for Taiwan-funded enterprises could be charged on a reduction rate between 20 and 30 percent of the standard expense for land use.

The regulations also stipulate that no nationalization of Taiwan investment as well as other assets in the municipality is guaranteed. Legitimate profit and revenue of various kinds earned by Taiwan investors and assets after the clearing process can be remitted overseas in accordance with law.

The municipal government said that combined with items on basic municipal facilities, a certain amount of land could be allocated for transfer to Taiwan investors for real estate development according to the general city planning or Taiwan businessmen were allowed to run property business related to their investment here.

With the approval of relevant department, Taiwan investors can issue in China or overseas countries bonds to fund their construction of basic facilities here.

The regulations encourage Taiwan investors to purchase, lease, contract or strike joint venture or cooperative practice for renovation of loss-making enterprises. They are even allowed to set up joint or cooperative ventured investment companies to renovate enterprises run in the red.

Taiwan-invested enterprises can cooperate with retail enterprises here to run retail business. They can also be allowed to operate chain stores and supermarkets as well as import and export of commodities.

The regulations state that Taiwan investors can set up joint or cooperative ventured high technology risk fund with local financial institutions or professional organizations with prior approval. Taiwan financial institutions, consortia or their associated enterprises can apply to the Beijing municipality for establishment of banks or non bank financial institutions.

Preferential treatment for daily living is also stated in the regulations for relatives of Taiwan investors who stay in Beijing.

#### **Trade Committee Signs Pact With Taiwan Counterpart**

OW1211112594 Beijing XINHUA Domestic Service in Chinese 1612 GMT 11 Nov 94

[By reporter Liu Gang (0491 0474)]

[FBIS Translated Text] Beijing, 11 Nov (XINHUA)—On 11 November, the Economic and Trade Coordination Committee for the Two Sides of the Strait and Taiwan's Commercial and Industrial Coordination

Society of the Two Sides of the Strait signed a new cooperation agreement in Beijing. Persons in charge of the two coordinating organizations present at the signing ceremony expressed their satisfaction with the cooperation over the past five years and hoped that the new agreement would better promote cross-Strait economic and trade development.

The new agreement states: Under the situation in which the two sides of the Taiwan Strait have yet to trade directly to date, the two coordinating organizations are willing to continue their cooperation and joint efforts in furthering economic and trade development between the peoples of the two sides of the Taiwan Strait. In addition, the organizations will work to safeguard the legitimate rights and interests of industrial and commercial enterprises through cooperation and consultations.

According to the agreement, the two organizations will coordinate with each other to handle specific affairs concerning two-way cross-Strait economic and trade exchanges, based on the spirit of equality, mutual-benefits, and friendly consultations. The affairs include mediating in business disputes, protecting intellectual property rights, organizing industrial and business inspection, as well as promoting other activities such as consultations, seminars, exhibitions, communications, and information services.

The establishment of the mainland's Economic and Trade Coordination Committee for the Two Sides of the Strait and Taiwan's Commercial and Industrial Coordination Society of the Two Sides of the Strait were announced simultaneously on 16 December 1989 in Hong Kong. The two organizations immediately held a joint meeting and signed the first cooperation agreement. They were the first intermediary organizations established individually for people-to-people economic and trade exchanges after 40 years' of isolation between the two sides of the Taiwan Strait.

At the signing ceremony, persons in charge of the two organizations felt that the tremendous amount of work done in the past five years has promoted cross-Strait economic and trade contacts. They said that they would work jointly to bring about two-way and direct cross-Strait trade in products and technologies in the next five years, so as to make new contributions to developing the good and mutually-influential economic and trade relations between the two sides of the Taiwan Strait.

On behalf of Chairman Zheng Hongye, Xie Jianqun, China Council for the Promotion of International Trade vice chairman and Economic and Trade Coordination Committee for the Two Sides of the Strait vice chairman, and Zhang Pingzhao [Chang Ping-chao], chairman of the Taiwan Chamber of Commerce and the Taiwan's Commercial and Industrial Coordination Society of the Two Sides of the Strait, signed on the agreement. Persons in charge of relevant departments of the Foreign Economic Relations and Trade Ministry attended the signing ceremony.

**MiGs Cross Taiwan Strait Median 15 Nov, Return**

HK1611101394 Hong Kong LIEN HO PAO in Chinese  
16 Nov 94 p 1

[Dispatch from Taipei: "PRC MiG Aircraft Reportedly Crossed Median Line of Taiwan Strait Yesterday"]

[FBIS Translated Text] According to a source, after taking off from the Chinese coastal area yesterday afternoon, PRC MiG aircraft flew across the median line of the Taiwan Strait. As soon as they were spotted on radar by the Taipei military authorities, military aircraft from Hualien, Taitung, and Kaohsiung immediately took off to intercept them. All anti-aircraft guns at Hsinchu Air Base were also ready to await orders. However, soon afterwards, the PRC aircraft turned back and flew beyond the median line. The military does not want to disclose how many MiGs had flown across the median line. The Air Force has stepped up patrols to defend the security of the Taiwan Strait.

It was rumored yesterday that a PRC aircraft had flown to Taiwan. This immediately aroused a lot of comments. Around noon, some people saw what looked like a civil aircraft taking off from Hsinchu Air Base. Many people immediately guessed that it might have been the civil PRC aircraft that had touched down at Hsinchu. After investigation, the military pointed out that it was not a civil aircraft from the mainland but a BH-1900 special cargo plane belonging to the military, which was carrying passengers from Air Force headquarters, the Ministry of Communications, and other relevant units to Hsinchu Air Base to investigate and learn about the case of an AT-3 aircraft which crashed off Chumiao. The aircraft belonged to the Night Attack Squadron [ye gong zhong dui 1123 2396 0022 7130] at Hsinchu Air Base.

In addition to the aforesaid rumor, military sources disclosed that after taking off from the mainland yesterday afternoon, an unknown number of MiGs flew towards Taiwan and crossed the protective median line [jing jie zhong xian 6226 2054 0022 4848] on one occasion. After they were spotted by Taipei military radar, many fighters immediately took off to intercept them and ground-based anti-aircraft guns at all air bases were also on standby at all times. However, before both sides came face to face, the PRC MiGs turned back. The military stressed: It often happens that PRC military aircraft fly across the median line of the Taiwan Strait. This may be unintentional but they may also be testing our air defense capability. But the military can take immediate precautions on every occasion and so there is no need to be overexcited about this.

**SEF Sends 'Official Message' on Shelling Incident**

OW1611091094 Taipei China Broadcasting  
Corporation News Network in Mandarin 2300 GMT 15  
Nov 94

[Report by CBC correspondent Hu Hsiang-hua in Taipei; from the "Hookup" program]

[FBIS Translated Text] The Strait Exchange Foundation [SEF] sent an official message to the mainland's Association Across the Taiwan Strait [ARATS] to give an account of the shelling from Little Kinmen [Quemoy]. In addition to explaining the accident's cause, the SEF also stressed in the message that the accident was strictly caused by a firing exercise [word indistinct] during maintenance of artillery pieces. Aside from expressing regret, the SEF also asked ARATS to convey SEF's sympathy for those who were injured by the accident.

SEF Vice Secretary General (Lin Hsin-ping) said:

[Begin (Lin) recording] We wish to express our regret. If the accident has caused any injuries, please convey our sympathy to those who were injured. We are ready to help handle all matters concerning medical treatment and reparations. [end recording]

SEF indicated that ARATS has yet to inquire about the accident, and that SEF was assisting the military authorities to contact ARATS.

**Land Mines 'Inadvertently' Detonated on Quemoy 15 Nov**

OW1611102794 Taipei China Broadcasting  
Corporation News Network in Mandarin 2300 GMT 15  
Nov 94

[From the "Hookup" program]

[FBIS Translated Text] Shortly after shelling Hsiamen [Xiamen] by mistake, some land mines were inadvertently detonated during a military exercise on Little Kinmen [Quemoy] yesterday [15 Nov]. The explosion demolished the windows of 29 civilian houses in [name indistinct] village.

When asked about the incident, military authorities said that it was strictly an accident.

About 30 minutes after the explosion, the Lie Yu Command of the military headquarters reached a reparation agreement with the 29 households.

**Delegates Meet U.S., EU GATT Representatives**

OW1511144694 Taipei CNA in English 0753 GMT 15  
Nov 94

[By Maurus Young and Y.C. Tsai]

[FBIS Transcribed Text] Geneva, Nov. 14 (CNA)—Taiwan delegates Monday [14 November] met with their counterparts from the United States, the European Union and Singapore in bilateral tariff concession consultations related to Taiwan's entry into the General Agreement on Tariffs and Trade (GATT).

Vice Economic Affairs Minister Sheu Ke-sheng, who arrived here early Monday morning, represented Taiwan at the talks with the U.S. delegation, led by Dorothy Dowskin.



Both sides exchanged views on a broad range of topics including tariffs on agricultural, industrial and fishery products, opening of Taiwan's insurance and other service sectors, government procurement, anti-dumping measures and protection for intellectual property rights, Sheu pointed out.

The negotiations between the two parties will continue on Tuesday, he added.

On similar talks with the European Union, he said that EU representatives asked Taiwan to lower import duties on farm imports to below 25 percent and to further reduce duties on chemicals, textiles and shoes.

Sheu said he told the EU delegation that Taiwan will study the requests. However, he noted that Taiwan is obligated to protect its remaining 200 shoe factories as another 2,000 have already relocated overseas.

Huang Yen-chao, director-general of the Board of Foreign Trade and also Taiwan's chief delegate in similar talks with Singapore, said that both sides are near an agreement.

Noting that Singapore completely agreed to Taiwan's agricultural market-opening measures, Huang pointed out that only some minor differences on chemical, medical and textile tariffs remain.

The Singaporean delegation was very friendly to Taiwan, expressing its full support for Taiwan's accession to GATT at an early date, he added.

Taiwan held similar consultations with 12 GATT contracting parties last week. A total of 23 GATT signatories have asked for such talks with Taiwan, which now holds observer status at the world trade regulatory body and hopes to become a full member by the year's end or early next year.

#### **Taipei To Sign Taxation Pact With Australia**

*OW1511144894 Taipei CNA in English 0747 GMT 15 Nov 94*

[By Peter Chen]

[FBIS Transcribed Text] Brisbane, Nov. 15 (CNA)—Australia and the Republic of China (ROC) are expected to sign an agreement aimed at avoiding double taxation despite possible protests from Mainland China, the Department of Foreign Affairs and Trade said Tuesday [15 November].

Bill Tweddell, director of the department's Hong Kong, Macao and Taiwan Affairs Section, said that Australia has sent a draft of the agreement to Taiwan.

He noted that signing of the agreement is necessary for the two countries. "We won't be stopped by any possible protest from China," he said.

"But signing the agreement will take some time because Taiwan has to study and discuss the details of the draft," he added.

The Mainland Chinese General Consulate in Sydney has warned Canberra against signing the agreement.

Australia in 1972 switched its diplomatic recognition to Mainland China, but has maintained close trade and economic ties with the ROC.

It is understood that the agreement would be signed by unofficial representative offices of the two countries in order to prevent any diplomatic backlash between Australia and Mainland China.

The Taipei Economic and Cultural Office (TECO) in Canberra said it has received the draft, which is now being carefully studied.

"We expect to do lots of technical work because there could be some changes or revisions in the wording of the draft," said Hsieh Fa-dah, director of TECO's Economic Division.

The ROC is expected to return the revised draft to Australia, which will carefully study it.

"We can not predict when the draft will be finalized and the agreement signed. But we hope to sign the agreement as soon as possible," Hsieh said.

He said the agreement was designed to avoid double taxation for investors or businessmen from Taiwan and Australia.

"It will help boost investment for each other's country," he said.

Taiwan investment in Australia totalled about US\$130 million in 1992-93 and Australian investment in Taiwan was US\$64 million, according to Australian figures.

#### **Nigeria Threatens Embargo Over Trade Imbalance**

*OW1611130794 Taipei CNA in English 0903 GMT 16 Nov 94*

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, Nov. 16 (CNA)—Nigeria has threatened to impose an embargo on Taiwan products if the island does not boost imports from the African nation.

Officials from the Board of Foreign Trade (BoFT), however, said that they are powerless to solve the problem. They said they cannot order Taiwan businesses to increase imports from Nigeria, especially since Nigerian companies have piled up some U.S.\$400 million in debts with Taiwan.

The Nigerian Commerce Department was reportedly "strongly upset" with Taiwan's increasing trade surplus



with Nigeria. The surplus topped U.S.\$130 million on a total trade of U.S.\$140 million in 1992, according to BoFT officials.

The Nigerian trade authorities demanded Taiwan "improve" the imbalance shortly. Otherwise, they said, a trade embargo will be imposed on Taiwan products.

Besides unpaid debts, BoFT officials said, Taiwan exporters have complained of fraudulent practices by Nigerian companies in trade with Taiwan.

If the embargo materializes, the officials said, Nigeria will be the second world country to embargo Taiwan products after Iran.

#### **Natural Gas Reserves Discovered Off Kaohsiung Coast**

OW1611130994 Taipei CNA in English 0841 GMT  
16 Nov 94

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, Nov. 16 (CNA)—The recent discovery of a large natural gas field off Kaohsiung, southern Taiwan, will help cut Taiwan's reliance on foreign natural gas imports, the Chinese Petroleum Corp. (CPC) said Wednesday [16 November].

A CPC official said that the field is the biggest natural gas find of the decade for Taiwan and may contain some 10 billion cubic meters of gas.

The state-run CPC has earmarked N.T.\$16 billion (U.S.\$0.6 billion) to tap the gas from two out of 12 wells already drilled in the offshore area, he added.

With a daily output around 2 million cubic meters, the Kaohsiung wells are expected to bring the company some N.T.\$50 billion (U.S.\$1.92 billion) in revenue at a wholesale price of N.T.\$5 per cubic meter. The street price for natural gas is currently N.T.\$7 per cubic meter, he noted.

Deducting the N.T.\$20 billion invested in exploration since 1968 and N.T.\$16 billion invested in the

Kaohsiung wells, the CPC will emerge with a N.T.\$14 billion profit, the official said.

#### **Taipei Ranks 2d in Citibank Credit Card Spending**

OW1611083094 Taipei CNA in English 0743 GMT  
16 Nov 94

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, Nov. 16 (CNA)—Spending on international credit cards issued by Citibank's Taiwan branch reached US\$770 million in 1993, second only to America's US\$55 billion, a bank spokesman said Wednesday [16 November].

US-based Citibank, the world's largest credit card issuing bank, began to issue international credit cards in Taiwan in 1989. Within five years, the spokesman said, Taiwan has outpaced the 19 other countries outside America where Citibank offers credit card issuing services in credit card spending.

"This indicates that the purchasing power of Taiwan consumers is very strong," the spokesman said.

Statistics compiled by the Bureau of Monetary Affairs show that the number of credit cards issued here has risen rapidly in the past few years, from 370,000 in 1989 to 2.4 million in June 1994. During the same period, credit card spending also jumped to more than NT\$ [New Taiwan dollars] 10 billion (US\$381.68 million) per month, up from about NT\$12.5 billion (US\$477.1 million) annually.

The Visa International Service Association also reported that Visa Card spending reached NT\$56 billion (US\$2.14 billion) in Taiwan in 1993. The amount was high when compared with Taiwan's short credit card history, a local visa executive noted.

According to Mastercard International tallies, Mastercard spending in Taiwan totaled NT\$7.6 billion (US\$290 million) last year, more than double the 1992 amount.

## Hong Kong

### PRC Liaison Group Chief Views Progress, Future

HK1111111094 Hong Kong WINDOW in English  
11 Nov 94 pp 16-17

[Speech by Guo Fengmin, China's Chief Representative to the Sino-British Joint Liaison Group, at farewell party to mark his retirement on 24 October; place not given: "The JLG's Progress"]

[FBIS Transcribed Text] I have been working in the JLG [Sino-British Joint Liaison Group] for four-and-a-half years. During these years, although the work of the JLG has not been very smooth, the Chinese side has exerted its greatest efforts so that some progress has been made.

According to the stipulation of Annex II of the Sino-British Joint Declaration, the main functions of the JLG shall be: To conduct consultation on the implementation of the Joint Declaration and to discuss matters relating to the smooth transfer of government in 1997. Article 4 of Annex II further states: Matters for consideration during the first half of the period between the establishment of the JLG and 1 July 1997 shall include: (a) action to be taken by the two governments to enable the Hong Kong Special Administrative Region [SAR] to maintain its economic relations as a separate customs territory and, in particular, to ensure the maintenance of Hong Kong's participation in the General Agreement on Tariffs and Trade, the Multifibre Agreement, and other international arrangements, and (b) action to be taken by the two governments to ensure the continued application of international rights and obligations affecting Hong Kong.

Today, I can report to you that most of these matters stated above have been completed. For example:

—The issue of the Hong Kong SAR's continued participation in GATT and other international arrangements as an independent customs territory has long been settled. The issue of the SAR's continued participation in international economic, trade, transport and cultural activities has largely been resolved. Agreement has been reached by the Chinese and British sides on the status of the SAR in 29 international organisations.

—On the question of the applicability of international covenants in Hong Kong after 1997, the two sides have resolved some 120 items. Among these are close to 100 international conventions that touch on customs, public health, resources, trade, investment, post and telecommunications, international privacy law, ocean pollution, science and technology, international crime, and transport. In addition, the SAR will implement international conventions of a diplomatic and defence nature following China. [sentence as published] There are only a few problems left.

—Substantial progress has been made to resolve the many bilateral agreements Hong Kong has had with foreign countries. The Chinese side has acceded to the aviation pacts between Hong Kong and more than 20 countries, among them the draft agreements between Hong Kong and 10 nations. The Chinese side has acceded to agreements between Hong Kong and 17 countries on the protection of investments, including nine drafts. China has acceded to extradition agreements between Hong Kong and 14 countries, including five draft documents. Finally, China has acceded to the negotiations between Hong Kong and three countries on judicial assistance for the investigation of criminal offences. These efforts showed that the JLG has done a great deal of work in sustaining Hong Kong's external economic relations. True, the work in this field has yet to be completed but we have every reason to believe that when the Hong Kong SAR is established, the legal basis for its external economic relations will be sound.

The JLG has not only done much in Hong Kong's external economic relations but also in many other areas. For example, the Chinese and British sides have agreed to 10 items of franchises and accords that transcend 1997. These involve the supply of electricity, pay television, public electronic trade services, garbage dumping and reclamation, and the management of tunnels.

Throughout the work of the JLG, the Chinese side has been involved in safeguarding and developing the prosperity of Hong Kong. On the use of military land, the Chinese side has always adopted a reasonable stand. Logically, all British military lands and equipment should be handed to the Chinese military establishment after 1997 in order to fulfil its defence requirement. However, right from the beginning, the Chinese side has agreed to divest part of the military lands to be disposed of by the Hong Kong Government so that they could be used to develop Hong Kong's economy. According to the agreement between the two sides, some 25 pieces of land, which are worth some HK\$100 billion, will not be used for defence purposes. In handling this matter, the Chinese side has taken into full consideration the development of the Hong Kong society and economy.

On the construction of the new airport, the Chinese Government has all along maintained the necessity for cost effectiveness and the principle that there will be no heavy burden on the SAR, with the objective of protecting the long-term interests of the Hong Kong people.

### No Legal Vacuum

Yet there are those who ignore these facts and, through various channels, accuse the Chinese side of delaying the work of the JLG. They claim that there are hundreds of British laws implemented in Hong Kong that need to be localised. Judging by the current pace of the work of the JLG, they say, there will appear a "legal vacuum." They even threaten to take unilateral action should the Chinese side continue to delay the work. What is the truth?

The fact is: We are told by the British side that a considerable portion of the Hong Kong legislation does not need to be localised. The British side has put forward 59 proposals and the two sides have reached an understanding on 43 of them. The remaining proposals are either too complicated or they were submitted only very recently and are being seriously studied. The Chinese side has always paid great attention to the localisation of Hong Kong laws and the experts have done a great deal. The British side should be quite clear about this. They deliberately cover up the true situation and accuse the Chinese side of delaying the work. What is their motive?

Indeed, both sides have taken some time on some subjects. Isn't it true that someone has claimed a certain piece of legislation was delayed for six years before it was resolved, as if this is a good example of delaying tactics on the Chinese side? I can tell you that this legislation was the Civil Aviation Ordinance. Civil aviation law is especially complex. It involves many technical questions and also the issues of aviation rights and air safety. In working out a civil aviation law in such a special place as Hong Kong, one had to take into consideration how this law could be linked with relevant laws in China. The relevant Chinese departments had to spend a relatively long time to study this complicated issue and this is entirely understandable. The British side advocated that the Hong Kong civil aviation law must be enacted in accordance with the British Civil Aviation Act. However, the British civil aviation law comes up to a big bundle and it is all in English. The Chinese side spent a great deal of resources to translate these laws into Chinese. Could it be said that the Chinese side is not positive? I would like to mention, too, that Chinese experts did hand to the British side the Chinese translation of relevant British law.

Other laws that require localisation have, to a certain extent, touched upon the relationship between the central and local governments, sovereignty, and foreign relations. Even the British side had to spend considerable time studying the legislation. Would those who accuse the Chinese side of delaying tactics, like to see China wantonly handle the issue?

I think if we are to adopt a responsible attitude towards the Hong Kong public, we must point out that because of Britain's noncooperative attitude on Hong Kong's political system, the JLG has no option but to face the reality that there will not be the so-called "through train." Under the circumstances, those issues that are entirely within Chinese sovereignty after June 30, 1997, will have to be resolved by the Chinese side alone.

For instance, there is the so-called "legal adaptation" as some current legislation is tainted with colonial colour, such as references to "Her Majesty" and the "Governor." These must be looked into and necessary revisions and changes be made so that they are in accord with the Basic Law. Such revision work is not very complicated and could be resolved. However, who should make these

revisions? The British side has proposed what is known as "midnight legislation." They suggest that the current Legislative Council of the Hong Kong British Government pass a resolution on how revisions are made and stipulate that they take effect at zero hour on July 1, 1997. Obviously, the Chinese side cannot accede to this request because this touches on the question of sovereignty. How Hong Kong legislation should be revised after June 30, 1997, is entirely China's internal affair and could not be regulated by the Legislative Council of the present Hong Kong British Government. The British side declares that if their proposition is not accepted, the question of "midnight legislation" cannot be settled and there will appear a "legal vacuum." How horrible do they portray it to be! As if people could not survive!

In fact, since legal experts do not regard these revisions as complicated, there will be an appropriate way to resolve the question. How will it sustain Hong Kong's stability and confidence if one keeps on shouting "legal vacuum" in this second half of the transition period? Is this a responsible attitude?

Relevant departments in China, including the Preliminary Working Committee, have made sincere, thorough studies on these questions. As 1997 draws near, such work will be accelerated. It is my belief that the relevant departments in China will work with the Hong Kong people and legal experts here to find a suitable path towards resolving these questions.

It is less than three years before the transfer of government in 1997. Under Article 5 of Annex II of the Joint Declaration, the work of the JLG in the second half of the transition period will principally be on matters relating to the transfer of government. In the last few JLG meetings, the Chinese side has successively raised the issues of Hong Kong Government assets and debts, the budgets in the second half of the transition, the transfer of defence responsibility, and the transfer of government documents.

#### Smooth Transfer Needed

On government assets, we have been raising the matter for more than a year. Some people claim that China tries to divert attention by raising these issues. I cannot understand the logic behind this. Why treat questions relating to transfer of government as a prohibited area? The Chinese side raises these questions in order to ensure the smooth transfer of government. That these questions are discussed within the JLG is in accordance with the Joint Declaration and is absolutely necessary.

Some people say that the Hong Kong government has already given the Chinese side related materials on the system of budgeting in Hong Kong. In fact, what they refer to is no more than briefings and the supply of a few very brief documents to Chinese personnel stationed in Hong Kong during work exchanges. They are in no way consultations within the realm of the JLG.



As to government documents, what the Chinese side has raised is a practical arrangement for the handing over of government documents to the Chinese Government during the transfer of government in 1997. The Chinese and British sides have reached an understanding on the principle of the handing over of these documents and decided that in appropriate time, they would undertake consultations and make practical arrangements for the transfer of these documents. One is at a loss to understand why some people should mix two entirely unrelated matters, one on the transfer of government documents and the other of the provision to the Chinese side of resumes of senior government officials.

I cannot understand why some people would immediately get worked up when discussing matters directly relating to transfer of government. Are all these not explicitly stated in the Joint Declaration? Isn't it true that the British side repeatedly expressed the hope of accelerating the JLG's work? We hope that the British should not only stop sounding off but demonstrate their sincerity by deeds.

During the second half of the transition, there is much work for the JLG. To ensure Hong Kong's prosperity, stability, and smooth transition, the Chinese and British sides have to cooperate sincerely with each other on many issues. The JLG is an important channel for such cooperation. As in the past, the Chinese side will actively make a good job of the JLG and increase its pace in accordance with the practical situation to ensure the smooth transfer of government.

Irrespective of any future difficulties, we have total confidence, relying on the majority of Hong Kong people and in accordance with the principle of "one country, two systems," of resuming the exercise of sovereignty of Hong Kong and creating an even better and brighter future for Hong Kong.

Hong Kong has been under occupation for more than 150 years. You and I know that part of history only too well. I am indeed honoured to have had the opportunity to take part in the work of closing this humiliating chapter of history.

In the past four years or so, I have received the support and assistance from many Hong Kong friends. I have acquired much valuable opinion and learned a lot. I am now about to leave the JLG. In the years to come, I will still work with you, continue to be concerned with the work on returning Hong Kong to the Motherland and its long-term prosperity and stability, and try to make my meagre contribution.

#### **Hong Kong Preparatory Committee To Have Beijing Base**

HK1411070694 Hong Kong HONGKONG STANDARD  
in English 14 Nov 94 p 2

[By Cecile Kung]

[FBIS Transcribed Text] The Preparatory Committee of the Hong Kong Special Administrative Region (SAR) will be based in Beijing, according to sources.

The Secretariat of the Preparatory Committee, to be set up in Beijing in early 1996, may be moved to Hong Kong in late 1996 or early 1997 to handle transitional affairs.

Sources close to the Hong Kong and Macao Affairs Office (HKMAO) said the decision to set up the secretariat in Beijing was to avoid the impression of having two political power centres in Hong Kong.

Consultation on the actual plan for the establishment of the Preparatory Committee had already begun among pro-Beijing advisers, the sources said.

Quoting HKMAO director Lu Ping, there would be 100 to 200 members of the Preparatory Committee, half of them from Hong Kong, sources said. "The others will be department heads of the Chinese government," the sources quoted Mr Lu as saying.

The Preparatory Committee would be divided into several groups, specialising in different aspects, to handle transitional affairs related to the change of sovereignty.

But everything related to the Preparatory Committee is in an embryonic stage and remains to be confirmed.

China does not want to have the Preparatory Committee established in Hong Kong for two reasons, sources said.

First, suspicions and mistrust between the Chinese and British governments had not been eliminated, and China fears that creating the impression of two power bases in Hong Kong may provoke British resentment and hinder transitional work.

Second, since the authority of the Preparatory Committee comes from the Chinese State Council and nearly half of the committee members are Chinese officials, there would be problems with them travelling frequently to Hong Kong.

#### **Legal Affairs Group Examines Hong Kong Regulations**

SK1111125694 Beijing XINHUA Domestic Service in Chinese 2133 GMT 8 Nov 94

[By reporter Fang Jin (2455 3866)]

[FBIS Translated Text] Beijing, 8 Nov (XINHUA)—The eighth meeting of the preliminary working committee's Legal Affairs Group under the Preparatory Committee of the Hong Kong Special Administrative Region concluded in Beijing on 8 November. During the meeting, members continuously examined Hong Kong's laws and regulations currently in force. Except for the "Regulations on Oath and Statement" and the "Regulations on Legislative Council" that will be abolished after 1997 because they contravene the Basic Law, all other 87 regulations may be preliminarily applied as the laws of the Hong Kong Special Administrative Region.

At the news briefing held following the meeting, Shao Tianren, head of the Legal Affairs Group, stated: The regulations examined at the current meeting included the "Regulations on Copyright," "Regulations on Registration of Doctors," "Regulations on Ordinary Bonds and Securities," "Regulations on Foreign Exchange Funds," "Regulations on Guarantees for Public Revenues," and "Regulations on Labor-Capital Relations." He added: At today's meeting, members maintained that the "Regulations on Legislative Council" should be abolished after 1997 because the present Legislative Council belongs to a three-level structure under which Hong Kong is dominated by the Hong Kong British authorities. The National People's Congress Standing Committee of China has already decided to terminate Hong Kong's three-level domination structure after 3 June 1997, and the methods to produce the organizations of the Hong Kong region will be formulated by the future government of the special administrative region in line with the stipulations of the Basic Law. The "Regulations on Oath and Statement" will be abolished because they also contravene the Basic Law.

The meeting's participants maintained: Some issues involved in these 87 regulations that are allowed to be adopted need further handling in the future, and specific methods to handle them will be discussed afterwards. However, the privileges enjoyed by Britain as stipulated by the regulations should be abolished.

All the regulations examined by the current meeting are the editions in place at the end of 1993. During the period from now until 1 July 1997, if the Hong Kong British authorities unilaterally make major revisions without consulting with the PRC and make regulations going against the Basic Law, the PRC will reexamine them again. When viewed from the current situation, Britain has already revised some clauses of these regulations and plans to make further major revisions. This is resolutely opposed by the PRC.

The current three-day meeting of the Legal Affairs Group also discussed the content of the work report to be submitted to the meeting of the preliminary working committee in December.

#### **Subcommittee Views Post-1997 Hong Kong Judiciary**

OW1111133594 Beijing XINHUA Domestic Service in Chinese 1312 GMT 10 Nov 94

[By reporter Fang Jin (2455 3866)]

[FBIS Translated Text] Beijing, 10 Nov (XINHUA)—The two-day 12th meeting of the political subcommittee of the Hong Kong Special Administrative Region [HKSAR] Preparatory Committee's Preliminary Working Committee [PWC] ended in Beijing today. The meeting discussed the formation of judicial organs in the HKSAR.

PWC members noted: The formation of judicial organs is an important aspect of preparations for establishing the HKSAR. The Preparatory Committee should form the HKSAR's court of final appeal in accordance with the Basic Law. Upon an independent committee's recommendation, the Chief Executive should appoint justices to the court of final appeal with the Legislative Council's consent. PWC members also noted: As it converts to a system appropriate to the HKSAR, Hong Kong's existing judicial system must be revamped as necessary. The "Supreme Court" should be renamed the "High Court," whereas the "Court of Appeal" and the "High Court" should be renamed the "Tribunal of Appeal" and the "Tribunal of Original Litigation," respectively. Other than these changes, other aspects of the judicial system should be retained. Justices and other judicial personnel who work in Hong Kong before the HKSAR's establishment will be allowed to stay on, but they must undergo reappointment procedures.

In discussing the issue of establishing the National People's Congress [NPC] Standing Committee's HKSAR Basic Law Committee, PWC members noted: The relevant NPC decision has clearly defined the chain of command involving the Basic Law Committee, the committee's tasks, and how it should be formed. Basic Law Committee members must embrace the principle of "one country, two systems," and support and familiarize themselves with the Basic Law. Acting in accordance with the Basic Law, PWC members also offered their preliminary ideas on the wording of oaths and swearing-in procedures for the HKSAR's Chief Executive, leading officials, Executive Council members, Legislative Council members, judges at all levels, and other judicial personnel.

During the meeting, PWC members also discussed the subcommittee's political report to the PWC's Fourth Plenary Session.

#### **Working Committee Rethinks Recognition of Degrees**

HK1411070094 Hong Kong SOUTH CHINA MORNING POST in English 14 Nov 94 p 3

[By Linda Choy in Beijing]

[FBIS Transcribed Text] The Preliminary Working Committee (PWC) yesterday decided to rewrite its controversial proposal for the post-1997 government to recognise all mainland granted academic degrees.

After a meeting in Beijing, the committee's cultural sub-group said it would suggest the Special Administrative Region (SAR) decide whether to recognise such qualifications.

In October, the subgroup proposed that degrees awarded by the 561 mainland universities should be recognised by the future SAR.



The proposal drew immediate criticism that the PWC was interfering with the autonomy of the post-1997 government.

The territory's professional and academic groups said they were concerned about recognition of professional qualifications and a possible lowering of standards.

Hong Kong co-convenor of the sub-group, Dr Raymond Wu Wai-yung, said the wording of the PWC's proposal had created misunderstandings. "The recognition of academic qualifications is a matter for the SAR government. There is no way we can impose our opinion on it. We are only making suggestions."

The group's new recommendation, to be tabled to next month's plenary session, will suggest the SAR consider degrees awarded by the 561 universities which have passed evaluation by the State Council. "The SAR should set up its own evaluation mechanism on the recognition of university degrees. The results of the evaluation by the State Council could be used for reference," he said.

Dr Wu said it would be difficult for the SAR to vet every degree individually and the State Council's list would be of great assistance.

A government pilot scheme under which mainland professionals are allowed into Hong Kong recognises degrees from 36 mainland institutions.

The proposal on academic qualifications would only affect employment opportunities in the civil service and for teachers in primary and secondary schools, he said.

On the controversy over the recognition of professional qualifications, Dr Wu said this had also arisen from misunderstanding. He said the sub-group had no plans to address the recognition of professional qualifications in the future because these should be dealt with by the professional bodies and the SAR.

#### **Wang Zhaoguo Greets New Chamber of Commerce Head**

*OW1211122994 Beijing XINHUA Domestic Service in Chinese 0716 GMT 7 Nov 94*

[By reporter Zhuang Jianmin (8369 1696 3046)]

[FBIS Translated Text] Hong Kong, 7 Nov (XINHUA)—On 6 November, the Hong Kong Chinese Chamber of Commerce held an inaugural ceremony for the 39th board of directors. Henry Ying-tung Fok, outgoing chairman of the 38th board of directors, handed over the Hong Kong Chinese Chamber of Commerce's official seal to Tsang Hin-chi, chairman of the 39th board of directors. The new board of directors' official term is two years.

Zhou Nan, director of XINHUA NEWS AGENCY's Hong Kong branch office; Jing Shuping, All-China Federation of Industry and Commerce chairman; and Cui

Yushan, China Chamber of International Commerce vice chairman, attended the inaugural ceremony. Wang Zhaoguo, National Committee of the Chinese People's Political Consultative Conference; and Lu Ping, director of the State Council's Hong Kong and Macao Affairs Office, sent congratulatory letters.

In his congratulatory letter, Wang Zhaoguo said: To safeguard the interests of people in industrial and commercial circles and to promote the regional economy's development, the Hong Kong Chinese Chamber of Commerce has offered sincere and trustworthy service. Its magnificent achievements in business have won praise from many people. In the next two years, the new board of directors will witness the eve of Hong Kong's returning to the motherland. The Hong Kong Chinese Chamber of Commerce is a major force in guaranteeing Hong Kong's prosperity and stability. I sincerely hope that the new board of directors, under the leadership of Mr. Tsang Hin-chi, will continue to make due contributions to Hong Kong's prosperity and stability and to the motherland's economic development.

Tsang Hin-chi gave a speech on behalf of the new board of directors. He said: From now on, the Hong Kong Chinese Chamber of Commerce will continue to enhance its contacts with the mainland. We plan to set up offices in Beijing and in other important mainland provinces. We will continue to maintain the close contacts with other industrial and commercial groups in Hong Kong, the mainland, and foreign countries to jointly safeguard Hong Kong's prosperity and stability. We will continue to strengthen the contacts with our members and recruit more new members from industrial and commercial circles.

On 20 October, the Hong Kong Chinese Chamber of Commerce elected 49 executive directors. On 27 October, it elected a new chairman, vice chairman, treasurer, and subtreasurer.

#### **Red Cross Officials Contemplate Leaving in 1997**

*HK1411075094 Hong Kong EASTERN EXPRESS in English 14 Nov 94 p 1*

[By Tad Stoner]

[FBIS Transcribed Text] The International Committee of the Red Cross may leave Hong Kong after 1997 because of problems with the handover of the territory to Beijing, according to senior Red Cross officials.

The local chapter of the Red Cross will no longer be affiliated with the London-based international organization after 1997. It will instead come under the authority of China.

Sources close to the Geneva headquarters of the International Committee of the Red Cross (ICRC) said the Hong Kong delegation will probably move to Bangkok to preserve its independence and its image as scrupulously neutral in humanitarian disputes.



"It's just not compatible with our mandate," a source said. "It's an image problem."

The ICRC was established in Hong Kong in 1987 to look after operations in China, Taiwan, North and South Korea, Japan, and Mongolia. The source said the 1997 handover could make this difficult. "You can hardly treat Taiwan from the People's Republic of China," he said.

The head of the Hong Kong delegation, Christophe Swinarski, has refused to confirm the move, saying only that "we are now giving active thought to how we should conduct our premises of action in the future."

He denied that any ICRC move from Hong Kong was connected to 1997 and said the group was "independent of any political parameters".

The organisation's operating rules "oblige us to review continuously the best conditions for our activities", Swinarski said.

Globally, the organisation's 22 committees are charged with caring for refugees who are victims of armed conflicts the effects of which may persist for decades.

Swinarski said the organisation's mandate extended to four categories of problems. "We maintain relations with governments within the framework of the Geneva Convention, a sort of 'humanitarian diplomacy'," he said.

As well, each committee maintains relations with all others; each provides information about the Geneva Convention to national organisations such as the military, civil servants, health services, and the diplomatic corps; and the ICRC provides travel documents to those with none, traces families separated by conflict, and looks after "detainees".

Avoiding the phrase "political detainees," Swinarski said the ICRC acts as a "neutral intermediary, in strict confidentiality".

"We are interested in gaining access to this category of detainee in China," he said. "We try to convince the Chinese authorities to allow us access to these people to make sure they are being fed, sheltered, and clad humanely."

Beijing has long opposed what it calls Western concepts of human rights, placing the ICRC in the delicate position of seeking minimum standards of treatment for detainees.

Swinarski denied that human rights was a consideration in any Red Cross move. "Human rights is not part of our mandate," he said. "We deal in international humanitarian law, which is a whole different body of international rules. For us, 1997 is not any particular date. We don't have to go. We're not doing business here and we have excellent relations with the Chinese authorities."

He said rising prices made Hong Kong prohibitively expensive, meaning relocation was a strong possibility.

The Hong Kong delegation is the only one outside a capital city. The ICRC established operations in Bangkok 15 years ago.

### Catholic Church Said Worried by Numbers Emigrating

HK1411070894 Hong Kong HO: HKONG STANDARD  
in English 14 Nov 94 p 2

[By Laura Chan in Beijing]

[FBIS Transcribed Text] Hong Kong's Catholic Church hierarchy has told Chinese officials that the problem of Catholics leaving the territory in the runup to 1997 is more important than the resumption of relations between Beijing and the Vatican. The remarks came during a meeting between a delegation headed by Hong Kong Cardinal John Wu and the Chinese People's Political Consultative Conference Vice-Chairman and Religious Affairs Bureau director Zhang Shengzuo.

Delegation member Father John Tsang told the Chinese officials about the problem of people leaving Hong Kong. "Owing to the worry about the handover, many Catholics are emigrating. I think the emigration problem affects the smooth transition, prosperity, and freedom. I think this is more important than the resumption of relations between Beijing and Vatican," he said.

Despite this, Fr Tsang and Cardinal Wu said they wanted resumption of relations as soon as possible, as it would comfort Hong Kong's Catholics in the long term. "Good relations (are) better than tense; this is our hope," the cardinal said.

Mr Zhang was asked whether the resumption of relations with the Vatican would have any impact on Hong Kong. "I don't think so. Hong Kong's issue (religious freedom) was clearly laid down in the Basic Law. We will follow the Basic Law," he said.

He hoped religious organisations in Beijing and Hong Kong would step up their communications. "Through more communication, we can achieve the unification of the motherland and prosperity for the entire country," he said.

Reporters present should ask the Vatican when its relations with China would resume, because "they are in a better position to answer this question", Mr Zhang said.

Mr Zhang gave another assurance that there would be freedom of religion after 1997. "Mr Zhang said the churches could continue to organise hospitals and schools," Fr Tsang said.

Cardinal Wu also raised Hong Kong social issues with the Chinese officials and said these could not be overlooked. "We are concerned about rising property prices, the welfare of the elderly, retirement, and the factories

moving to the mainland and causing unemployment for the people," Fr Tsang quoted the cardinal as saying.

On Friday, Cardinal Wu hinted that the territory's Catholic Church would terminate official contacts with Taiwan and recognise Beijing as the sole legal government of China. His comments followed a Chinese Foreign Ministry warning that the Vatican must terminate relations with Taiwan if it wanted to establish good relations with China.

### **Opposing Basic Law With Bill of Rights Criticized**

*HK1311032494 Hong Kong TA KUNG PAO in Chinese 12 Nov 94 p 2*

[Editorial: "How Can the Use of the 'Bill of Rights' To Oppose the Basic Law Be Tolerated?"]

[FBIS Translated Text] According to the provisions of the Basic Law, the laws currently in effect in Hong Kong will basically remain unchanged. However, acting in a diametrically opposite way, the British Hong Kong authorities are stepping up the amendment of the laws currently in force, changing crucial provisions in some and even amending others beyond recognition.

We can get a clear idea as to why the British Hong Kong authorities are so anxious to amend the ordinances by listening to what Martin Lee Chu-ming said in London some time ago.

Martin Lee told Alastair Goodlad, the British minister with special responsibility for Hong Kong, that, since the current international covenants on human rights are not sufficient in themselves to guarantee the Hong Kong people's human rights after 1997, the Hong Kong legislative organ should amend as early as possible some legal provisions which may violate human rights principles. He also called on the British Government to urge the Hong Kong Government to rescind ordinances which endanger Hong Kong press freedom as soon as possible.

When meeting British Foreign Secretary Douglas Hurd, Martin Lee said that the current ordinances in Hong Kong were very likely to be abused by the special administrative region government to trample on human rights and that he hoped the British Hong Kong Government would expedite the amendment of such legal provisions, including the rescinding of some draconian laws.

To meet the political needs of the pro-British forces in opposing China, Chris Patten has worked out the target and timetable for the amendment of the ordinances. He has revealed to some media that the Hong Kong Government has a definite timetable for the amendment of the ordinances, including reviewing and amending the Public Order Ordinance, the Simplified Penalty Procedures Ordinance, and the Emergency Powers Ordinance, as well as 27 ordinances which "may infringe upon press freedom," and added that some of them have already been amended. In his third policy address, he stressed

that, "to remove the legal restrictions on press freedom," the Hong Kong Government has "examined 53 separate provisions in 27 ordinances. Of these, we will have taken action to amend 37 provisions by the end of the new legislative session."

Martin Lee and his ilk still complain that the British Hong Kong Government is not moving fast enough. Not long ago, he again published an article in a U.S. newspaper, begging "the United States and British to jointly resist Beijing" and urging Patten to step up "using dictatorial power" to "protect human rights." He is really too impatient to wait!

The future human rights in Hong Kong, i.e. the rights and freedom of the residents of the Hong Kong Special Administrative Region [SAR], have been fully guaranteed by the Basic Law. In the Hong Kong SAR, which will be based on "Hong Kong people running Hong Kong" and will exercise "a high degree of autonomy," we can be certain that the residents will have more rights and freedom than during colonial rule. All people who love the country and Hong Kong and all compatriots who devote their efforts to developing Hong Kong and themselves should not and will not worry about their future personal rights and freedoms. Only a handful of pro-British elements who are opposed to China and want to throw Hong Kong into chaos consider British withdrawal and Hong Kong's reversion to China in 1997 as a threat to them and impatiently seek the protection of Britain or other countries. Judging from the amended provisions or the provisions being amended in the Mass Organization Ordinance, the Public Ordinance, and other ordinances, although the British Hong Kong Government and its followers keep on pleading for the "protection of human rights," what they really want is to protect the future "rights" and "freedom" of a small number of people so they can oppose China and throw Hong Kong into chaos by relaxing administrative management rather than protect the rights and freedom of the greatest majority of Hong Kong people by enforcing the rule of law. This is their real purpose in calling for the amendment of the ordinances.

According to the provisions of the Basic Law, the laws currently in effect in Hong Kong will "basically remain unchanged," but this does not mean that they will not be changed at all. A small number of laws should be changed because they are tinted with colonial color and contravene the Basic Law. Therefore, in amending some ordinances we should take as the basis the Basic Law—the fundamental law to be implemented in Hong Kong after 1997—and no other thing. What merits attention is that, while some laws currently in effect in Hong Kong need not be amended or need to be changed only a little bit, the British Hong Kong Government and its followers are calling for major amendments. Taking the "Bill of Rights" as the basis for the amendment of the ordinances, they say that the existing laws should not contravene the "Bill of Rights." Martin Lee has proposed the amendment of the Film Censorship Ordinance



reportedly because he considers the provision that the government has right to ban a film which may seriously damage good relations with other regions as contravening the provision of the "Bill of Rights" which states that all people have freedom of expression. Another Democratic Party member of the Legislative Council openly supports the amendment of the Public Order Ordinance by the British Hong Kong Government. He also cited the "Bill of Rights," saying that "since the Bill of Rights has been promulgated in Hong Kong, it is necessary to amend unreasonable restrictions that contravene the Bill of Rights." Obviously, they are trying to use the "Bill of Rights" to oppose and replace the Basic Law.

Some time ago, Martin Lee, Chris Patten, and John Major said that, since Hong Kong human rights are guaranteed in the Joint Declaration by the two international covenants on human rights, China should submit reports on Hong Kong human rights situation to the United Nations after 1997. Patten said that, if the Chinese Government fails to do so "the Chinese side should make an explanation to the Hong Kong people" while Martin Lee claimed that he "wants to lodge complaints with the International Court of Justice." This is a threat aimed at exerting international pressure on China over the human rights issue.

As it did in the past, the British side will not attain its aim by playing the "international card." Hong Kong is not a political entity, and China is not a signatory of the two international covenants on human rights. Neither the Sino-British Joint Declaration nor the Basic Law provides that Hong Kong will directly implement the two international covenants after 1997, but they do explicitly point out that the relevant provisions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong SAR. Therefore, there is no reason whatsoever to demand that the Chinese Government should submit Hong Kong human rights reports to the United Nations.

#### **PWC Decision To Stop Briefing Press Criticized**

HK1611052794 Hong Kong SOUTH CHINA  
MORNING POST in English 16 Nov 94 p 22

[Column from the "Comment" page by Fanny Wong:  
"Behind Closed Doors"]

[FBIS Transcribed Text] It is most unsettling and disappointing that the political sub-group of the Preliminary Working Committee (PWC) has decided to scrap its practice of briefing the media after meetings.

More disturbing, though, is the reason the PWC quoted for such a move: the media are to blame, because over the past year they have made frequent mistakes in reporting news of the political subgroup. To the PWC members, this is intolerable, and therefore from now on, instead of having the mainland and Hong Kong convenors of the sub-group brief the media after meetings, press statements only would be issued.

Obviously, journalists find the new arrangement intolerable as it is tantamount to a news blackout, meaning that they will only be able to report on what the PWC chooses Hong Kong should know, while denying the media the chance to raise questions.

Understandably, journalists in Beijing covering the subgroup meetings argued with the Hong Kong convenor of the sub-group, Leung Chun-ying, after the new arrangement was enforced last week. The journalists made it clear that if the PWC considered that their reports had distorted the true picture of the PWC meetings members could seek corrections.

They also argued that some mistakes were a result of inadequate information provided to the media. But Mr Leung reportedly dismissed such suggestions and instead pointed to the over-provision of information which led to the mistakes. If that was indeed Mr Leung's belief, and if it reflected the attitude of most of his PWC colleagues, that would be the most unfortunate mistake made by the working panel itself.

It's true that over the past year the PWC has suffered a major image problem, but should the media be held responsible? The Hong Kong media have never pursued any secret agenda to undermine the work or tarnish the image of the PWC. Hong Kong journalists travelled to Beijing for every PWC meeting and waited hour after hour outside the meeting room just to get a few quotes and honestly report on what would likely be adopted as Hong Kong's future policies.

They are important subjects affecting the territory's future wellbeing, especially the work of the political sub-group. Hong Kong people are entitled to know what's going on, and it is the media's responsibility to inform them. It is said that PWC members grumbled that the news angle as selected by individual media was not what the working panel wanted, and Mr Leung voiced dissatisfaction that the media gave little coverage to what the sub-group convenors said after the meetings.

Newsmakers love to have their lines prominently reported by the media. But the PWC has to realise that as long as the media truly reports what is said by any member, they have the freedom to choose whatever news angle or whatever news material they want. This is what press freedom is all about.

If the media choose to report more on the comments or views voiced by individual PWC members instead of the material provided by the briefings by the subgroup convenors, this should not be a reason for scrapping the briefing sessions.

The time the convenors spent in briefing the media was never wasted, as the material either provided good background on the subject, or in itself made important news. Mr Leung argued that the working style of the PWC was comparable to that of the Executive Council and therefore should observe a high degree of confidentiality.



Time and again, we hear Chinese officials urging Hong Kong people to make their views known on subjects affecting the future, and Beijing or the PWC will listen to what they say. At present, the PWC operates with minimum transparency. Officially, even agendas of meetings are kept confidential unless some members are prepared to reveal them. After meetings, only a very limited number of members are willing to talk to the press.

If the work of the PWC is to be kept under wraps and briefing arrangements are to be tightened, how can Hong Kong people know what the PWC is doing and how can they offer comments? Let's hope that the present stringent arrangement is only temporary and the good practice of briefing can be resumed as soon as possible.

#### PRC Said Wary of New Satellite TV Networks

HK1611025894 Hong Kong AFP in English 0234 GMT  
16 Nov 94

[By Peter Lim]

[FBIS Transcribed Text] Hong Kong, Nov 16 (AFP)—China is keeping a close watch over the growing number of Chinese-language satellite television broadcasting networks being set up in Hong Kong for fear they are being used as a political frontline, sources say.

"The phenomenon is worrisome, because many of these networks' ultimate aim is beaming towards the huge audience in the mainland," as the British colony moves towards China's takeover in 1997, said a source at the Xinhua news agency, Beijing's de facto government representative in Hong Kong.

The concerns have been well understood by media analysts considering China's suspicion of foreign broadcasts, while at the same time jealously guarding its fledgling television industry.

"We don't like to see Hong Kong being used as a base for political or cultural front to topple the Chinese communist regime," said the Chinese source, although Beijing has promised to maintain the capitalistic lifestyles of Hong Kong after 1997.

Chinese authorities have been quietly promulgating new legislation on satellite TV broadcasting, to add to decrees issued in October which require satellite dishes to be licensed. These measures also ban local cable TV networks from forming joint ventures with foreign broadcasting networks.

Media analysts believe it would be a herculean task for China to completely prevent its population of 1.2 billion from tuning in to satellite TV broadcasts emanating from Hong Kong, whose TV programs have better ratings in the neighbouring Chinese province of Guangdong than local TV shows. It will take time for these networks to reach the pot of gold at the end of the rainbow in entry to China, analysts said. "There is little they can do," said

James Miles, analyst at Asia Equity, "except only by totally banning its people from watching these satellite programmes."

However, analysts said that China could pressure the TV stations through a third party, as it did to the BBC, which offended Beijing by airing a program on the sex life of the late Chinese leader Mao Zedong early this year. As a result of Chinese pressure, BBC news and features were axed from media baron Rupert Murdoch's News Corp. Star TV, widely believed to be trying to branch out into the huge market in China.

In reaching their goals in China, several of these satellite broadcasters have been working on the authorities in Beijing to get them to allow, at least for now, their programmes to be channeled through the cable networks on the mainland, industry sources said. One example is Singapore-born Robert Chua, whose China Entertainment Television Broadcast (CETV) is to slotted for its pilot satellite transmission early next month. Chua has promised viewers his network's family entertainment channel, of "no sex, no violence, no news," and his assurances have reportedly won him agreements with mainland cable operators willing to distribute his signal to their customers.

The other two networks will also be competing with Asia's first satellite broadcaster, Star TV, in its Mandarin satellite broadcasts in the Asia-Pacific area. Star TV began in 1992 to broadcast Mandarin-language programming on one of its five channels. Star TV's competitors are Chinese Television Network (CTN) and TVB. CTN is owned by CIM, holding company of the newspaper and magazine publishing house Ming Pao Enterprise Corp. Ming Pao had courted Beijing for in hopes of getting satellite broadcasts launched, but the courtship reportedly was terminated when a China-born Ming Pao reporter was jailed on the mainland on charges of leaking confidential Chinese banking information.

CTN said it planned to officially start broadcasting by satellite in Mandarin on December 30, by putting out two channels—information and entertainment—via the American PanAmSat PAS-2 satellite. The "information" channel, which was not described as "news" in a press release on Monday, will have its own information-gathering service.

In addition, the international arm of Hong Kong's Television Broadcasts Ltd. (TVB) is to begin Chinese-language satellite telecasts in the United States from December 1.

#### HSIN PAO Editor Optimistic on Post-'97 Press Freedom

HK1511053794 Hong Kong EASTERN EXPRESS in  
English 15 Nov 94 p 27

[By Brian Patrick]

[FBIS Transcribed Text] Freedom of the press and business in Hong Kong go hand-in-hand, according to the editor of the Hong Kong Economic Journal [HSIN PAO 0207 1032]. "There are always journalists willing to stick their neck out and there is a strong correlation to the free flow of information and the markets," George Shen told an American Chamber of Commerce lunch yesterday. "But I think the 'one country-two systems' will work, because China knows that the world will be watching Hong Kong."

Shen said business confidence was intertwined with what happened with the territory's press. "But I don't think business is worried post-'97, because the region is going to be a special zone for the next 50 years. China has done a lot in the last few years to free up press freedom in Hong Kong. I think they will leave us alone and press freedom will be fine."

Shen said media and media barons were pragmatic when it came to their operations, pointing to Rupert Murdoch and his Star TV satellite television network. "He chose to drop BBC, but now he is still being profitable," Shen said after the lunch. "You have to be accountable to the shareholders."

Shen pulled no punches when talking about media and media responsibility in Hong Kong. "Forty years ago, journalists would have been prosecuted for writing negatively about (Governor) Chris Patten. Hong Kong is much better now and China understands the media situation more now than it did before."

Shen said the incidence of a journalist being jailed for 12 years in China for writing an interest rate story would probably not happen here.

#### **POST Conducting Talks on Mainland Printing Press**

HK1511040494 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 15 Nov 94 p 3

[By Duncan Hughes]

[FBIS Transcribed Text] South China Morning Post (Holdings) is conducting talks on constructing a mainland printing press as it moves towards expanding sales of the newspaper in China, says chairman Robert Kuok. Mr Kuok, who was speaking at the company's annual general meeting yesterday, said it was estimated that sales of the newspaper's China edition would rise from about 5,000 to about 8,000 over the next 12 months. Publication of a China edition began in September.

A final dividend of 13 cents, payable on or before November 18, was approved at the meeting. This takes the total for the year to 30 cents. "Despite the launch of an English-language newspaper and competition from other publications, the company achieved a record turnover of \$1.22 billion which reflects a 17 percent increase in turnover from the previous year of \$1.04 billion," Mr

Kuok said. "Operating profit in 1994 recorded a corresponding increase of 15.6 percent to \$671 million from \$580 million in 1993." The results were ahead of market expectations.

Mr Kuok said the company's new headquarters at Tai Po would be an "important vanguard" for the newspaper industry in Hong Kong and Asia, combining the "best combination of excellence in newspaper production and the most sophisticated technology". He said: "When finalised, we shall have the potential to produce our entire newspaper in-house, with ample room to grow to meet the newspaper's expanding needs. The move will involve all of the newspaper's production and a substantial number of editorial staff moving from Quarry Bay to Tai Po, with the remainder transferring to new offices in Quarry Bay. The move will also enable us to introduce the latest page editing and mail room technology. All of this will be accomplished whilst maintaining, without interruption, the daily production of the newspaper." He added that the publications would continue to "welcome competition from every corner".

The company's report and accounts, along with five resolutions, were passed without opposition. Chief executive Lindley Holloway, David Li Kwok-po, Ronald McAulay and Wee Cho Yaw were re-elected as directors. Cheah Sin Bee, Khoo Kay Peng and Owen Jonathan, who were appointed in the year since the last annual general meeting, were also re-elected as directors. Ernst and Young will continue to act as auditor. Separate resolutions on giving a general mandate to the directors to issue new shares, and to buy back up to 10 percent of the existing issued shares, were also passed without opposition.

#### **POST Chairman Stresses Editorial Independence**

HK1511040294 Hong Kong SOUTH CHINA MORNING POST in English 15 Nov 94 p 4

[By Karin Bishop]

[FBIS Transcribed Text] The SOUTH CHINA MORNING POST will continue to enjoy full editorial independence, the annual general meeting of shareholders was told yesterday. The chairman of South China Morning Post (Holdings) Ltd, Robert Kuok, told shareholders he fully supported the concept of freedom of the press. "There is currently much talk about press freedom and so-called self-censorship," Mr Kuok said. "I believe in freedom of the press and firmly respect the editorial independence of our newspaper." He said that policy had remained in force despite the change in ownership. Mr Kuok bought almost 35 percent of South China Morning Post (Holdings) in September last year for \$350 million, taking over as majority shareholder from the previous owner, Rupert Murdoch. "Our newspaper has upheld these principles—despite unwarranted suggestions to the contrary expressed by some," he said.

Mr Kuok acknowledged the growing importance of China and said the POST would be at the forefront of the



handover. "The most important story unfolding today is China and for us in Hong Kong our reunion with China in July 1997," he said. "The SOUTH CHINA MORNING POST is ideally placed to record these momentous changes and I trust we shall continue to report factually and responsibly on what is happening both here in Hong Kong and in China." He said the POST would not become a mouthpiece for any religious, political or commercial group. "My overriding conviction is that the Hong Kong press and media must work for the good of Hong Kong, portraying the different views of the territory fairly and even-handedly," he said. "I believe that the SOUTH CHINA MORNING POST will continue to strive to be a newspaper of high editorial reputé, a newspaper of balance and responsibility, and also a newspaper which will continue to inform and entertain its readers."

#### **Star TV To Launch Pan-Asian Satellite Radio Service**

HK1211071894 Hong Kong EASTERN EXPRESS in English 12-13 Nov 94 p 3

[By Tad Stoner]

[FBIS Transcribed Text] StarTV will announce next week the launch of its latest broadcasting service—seven pan-Asian radio stations dubbed StarRadio. The services will be broadcast on sound-only subcarriers on the same AsiaSat satellite that carries StarTV's eight television channels.

The new services will originate at the station's Hung Hom production studios and will be transmitted to AsiaSat through Star's Clearwater Bay broadcast facilities. The services will include adult contemporary Western music, a Cantonese top 40, Indonesian music and a range of other formats targeting general audiences and specific ethnic groups.

StarRadio is the region's first cable radio service, analogous to cable television. It will be distributed by cable TV networks to their subscribers or be received directly in the home through a satellite dish. StarTV will market devices to link a TV set to a listener's in-home sound system, eliminating the need for outdoor aerials and favourable geography to facilitate reception.

A StarTV spokesman, Douglas Gautier, was reluctant to reveal investment levels in the new service, but said the company hoped to generate revenue through advertising sales across the region. "We've applied for permission to carry advertising," he said last night. "I can't tell you what we are putting in, but these days you can do this sort of thing for very modest costs."

"All you need is a couple of DJs. It's all very heavily automated." He would not reveal the launch date for StarRadio, but speculation last night suggested early 1995 as the start.

StarTV's Rupert Murdoch controlled parent, News Corporation, already operates several satellite-broadcast radio services in Europe on its BSkyB network.

Metro Radio, launched in 1990, had hoped to be broadcast across the region on AsiaSat, but ran afoul of regulatory problems. The station then hit financial troubles that forced it to scale back operations.

The StarRadio project is under the administration of the StarRadio general manager, New Zealander Michael Mackay. Gautier said the seven services were only a start. "We have ample capacity on the satellite. There is room for much, much more up there. This only scratches the surface."

#### **Strategic Holdings Chairman To Head MING PAO Group**

HK1611054794 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 16 Nov 94 p 1

[By Carrie Lee]

[FBIS Transcribed Text] China Strategic Holdings chairman Oei Hong Leong has been made head of Ming Pao Enterprise Corp, replacing Yu Pun-hoi, who has resigned. The move tightens the Indonesian businessman's grip on the local media business. China Strategic, which recently agreed to buy a 10 per cent stake in the newspaper group, already controls the Chinese-language magazine Wide Angle [KUANG CHIAO CHING].

The media is not a new investment area in Mr Oei's family business—his father Oei Ek Tjong is an Indonesian newspaper baron. Ming Pao invited Mr Oei to join its board of directors, which elected him chairman yesterday. In a statement by Ming Pao, Mr Oei said he would respect the newspaper's traditional editorial policy and enable the paper to keep its independence and objectiveness in reporting. He said Mr Yu's resignation represented an act of responsibility to the newspaper group. He hoped Mr Yu would be able to lead the board of directors again after he had sorted out his affairs.

In a statement, Mr Yu said he supported the appointment of Mr Oei. He believed staff at the company would back the decision, too. Mr Yu said he and Mr Oei shared many common views on how to run newspapers, and that Ming Pao should be a newspaper for Chinese people, a modern one that should stay objective, accurate and fair. Mr Yu said because Mr Oei was a charismatic entrepreneur he believed he would, like himself, continue to make the newspaper flourish. Mr Yu said he would continue to make suggestions on business and operations to the board, and would keep close contact with Mr Oei.

Two board members of CIM Co—Ming Pao's parent—were also appointed as directors to the newspaper group. The board comprises six directors. The company lacks two independent directors whose appointments would



be announced soon. Mr Oei said he would insist on Mr Yu's aim that it was a newspaper for the Chinese.

#### **Emperor Investments Gains Control of DAILY NEWS**

*HK1511040094 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 15 Nov 94 p 3*

[Unattributed report: "Emperor Gets 61 PC [Percent] Control of Newspaper]

[FBIS Transcribed Text] Emperor (China Concept) Investments declared its 10 cent a share offer for HONG KONG DAILY NEWS [HSIN PAO 2450 1032] unconditional yesterday, claiming control of just under 61 percent of the newspaper. The company had received acceptances for 28.5 million shares and 289,957 warrants—10.7 percent of its issued share capital and 2.14 percent of the outstanding warrants—said Emperor (China Concept) chairman Sonny Yeung. Emperor (China Concept) and associated parties already had beneficial interests in 132.95 million shares and five million warrants, or 49.9 percent of issued shares and 36.8 percent of outstanding warrants, he said. Including acceptances, Emperor and associates were left with 60.6 percent of the issued capital of HONG KONG DAILY NEWS and just under 39 percent of outstanding warrants, Mr Yeung said.

#### **ATV Drops Top-Rated Talk Show**

*HK1611062094 Hong Kong SOUTH CHINA MORNING POST in English 16 Nov 94 p 3*

[By S.Y. Yue]

[FBIS Transcribed Text] ATV announced last night that its top-rated programme News Tease would be dropped at the end of next month. The liberal talk show had broken new ground for Hong Kong television, with the guests and hosts—writer Wong Yuk-man and publisher Albert Cheng King-hon—engaging in sometimes sharply critical debate.

The TV station said it had discussed the programme with Wong and Cheng, and had decided that it had gone as far as it could under the present format. It hoped Wong and Cheng would continue to work for the station.

Among the debates featured on News Tease was one between legislator Christine Loh Kung-wai and Heung Yee Kuk member Brian Kan Ping-chee after the kuk's violent protest against Ms Loh's bill to allow women in the New Territories to inherit property. On another programme legislator Chim Pui-chung aroused controversy when he said all women were either wives or mistresses and all men were sex fiends.

#### **Show's 'Anti-Beijing Stance' Noted**

*HK1611055794 Hong Kong AFP in English 0547 GMT 16 Nov 94*

[FBIS Transcribed Text] Hong Kong, Nov 16 (AFP)—The Asia Television (ATV) channel announced Tuesday

the axeing of a top-rated talk show, amid mounting criticism from China of the programme's anti-Beijing stance. But the show's hosts, writer Wong Yuk-man and publisher Albert Cheng King-hon, stressed that no direct political pressure had played a part in the decision to drop the programme, "Talk of the Town."

In a statement, the channel said "the programme had continued for quite some time and had lost some of its freshness." But the show, which is to leave the airwaves next month, had come under increasing attack from several pro-Beijing newspapers in the territory, including the Wen Wei Po and Ta Kung Pao. The programme had aired sharply critical debate involving prominent guests on current mainland events. Wong told reporters late Tuesday that a new talk show with the same format would take over sometime next year.

ATV, one of Hong Kong's two leading television networks, was also put on the spot in June when it initially refused to air a documentary on the 1989 Tiananmen Square massacre, resulting in the resignation of several producers and reporters from the station.

In the run-up to China's takeover in 1997, there are wide concerns over the future of press freedom in Hong Kong. Several newspapers have reportedly adopted self-censorship for fear of offending Beijing.

#### **PRC Concept of 'Press Freedom' Ridiculed**

*HK1511053594 Hong Kong EASTERN EXPRESS in English 15 Nov 94 p 15*

[Editorial: "China's Meaning of 'Press Freedom'"]

[FBIS Transcribed Text] There was a time before China's open-door policy let in some daylight to the darker recesses of the Beijing regime, that the crime of selling state secrets to the enemy was clearly defined, and meant more or less what it said. No longer. The secret trial and six-year prison sentence of the journalist Gao Yu reveals, very disturbingly, that the authorities are now applying a looser and rather different definition to the 1993 State Security Law. The "crime" for which this distinguished and highly respected journalist must sacrifice six years of her life is defined as "illegally providing state secrets to overseas people". Precisely which state secrets and to what overseas person they were provided we are not privileged to know, since the trial was held in camera, and neither Gao's family nor her lawyers were aware of it until days after the sentence. It is thought to be connected with a series of reports she wrote about political developments in Beijing for the Hong Kong pro-China magazine, Mirror Monthly [CHING PAO].

In a free society, Gao's offence is called investigative journalism. Throughout the Western world, enterprising and respected journalists frequently win awards for it. In China, investigative journalism is an offence against the state. The latest definition of the old law has come to

light in a pronouncement from the Supreme People's Court on the case of Wu Shishen and Ma Tao.

In August last year two mainland journalists, Wu from the XINHUA News Agency and Ma from China Health Education News, were tried for leaking a speech of the party boss, Jiang Zemin, some time before it was due to be delivered, and passing it to a Hong Kong newspaper in exchange for foreign exchange certificates. Paying for the provision of news is frowned upon in some Western circles, as is the leaking of confidential information by civil servants. Since the XINHUA staff is pitched somewhere between those two vastly different jobs, there is no doubt that Wu and Ma deserved some punishment for their offence. Perhaps it justified the loss of their jobs. The Beijing People's Court view of the case, at the time, was that it warranted a term of 10 years in prison. And even that did not satisfy Jiang, who was so incensed by this offence against him personally that he intervened and insisted on a harsher sentence. This is the nature of justice on the mainland, where some men are powerful enough to be above the law. Wu was jailed for life and Ma, believed to be his wife, was given a six-year term for her part in delivering the text to the Hong Kong journalist.

Now, more than a year later, the court has clarified the crime. It is no longer confined to spies or counter-revolutionaries providing state secrets to the enemy. The offender does not need to be a spy, and the person who receives the state secrets does not have to be an enemy. An even stronger element of paranoia than usual seems to be creeping in to China's leadership. There is intense feeling among some officials that the reformist policy of

openness is getting out of hand. They are therefore trying to force the lid back on to return to older, and more comfortable ways of administration, shrouding the country in secrecy once more.

In Gao's case, the human rights agencies believe that the conduct of the trial has involved repeated violations of the Chinese Criminal Procedure Law, and that the information she is said to have "leaked" came from a conversation she had with a Communist Party official. She is now a partner in misfortune and injustice with the MING PAO journalist Xi Yang, who is serving 12 years for espionage and "stealing state financial secrets". His crime? Revealing information about impending changes in the Bank of China interest rates, and international gold transactions.

This, then, is the system with which the free and unfettered press of Hong Kong is destined to be more closely associated. It is, to say the least, a disquieting prospect. Can we really have confidence that the territory will be allowed to run its newspapers and television stations in the open way it has been used to, free of fear from persecution, harassment or fear? What will happen after 1997 when a story breaks on the mainland that the Hong Kong publications have access to? Can it be printed without comment in the territory, while any mainland journalist misguided enough to publish it will go to jail for life? This is indeed a fascinating scenario for the concept of "one country, two systems", is it not? Once again, we have portents to drive home the message that it is now, while press freedom is axiomatic, that the future agenda must be set. Where the press is in chains, so are the people.

BULK RATE  
U.S. POSTAGE  
PAID  
PERMIT NO. 352  
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

#### SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20412.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.



**END OF**

**FICHE**

**DATE FILMED**

18 Nov 94

